

**REPORT TO THE CITY COUNCIL  
FOR THE  
PROPOSED RE-ADOPTION OF THE CENTRAL  
LONG BEACH REDEVELOPMENT PROJECT**

Prepared for:

**THE REDEVELOPMENT AGENCY  
OF THE  
CITY OF LONG BEACH**

Prepared by:

**Keyser Marston Associates, Inc.**

DECEMBER 2000

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## **EXECUTIVE SUMMARY**

### **A. Purpose of the Report**

This Report to the City Council for the Central Long Beach Redevelopment Project has been prepared to fulfill the requirements of Section 33344.5 of the California Community Redevelopment Law ("CRL"). The CRL requires that specific information be provided to affected taxing entities including the reasons for selecting the Project Area ("Project Area"), current conditions in the Project Area, an analysis of urbanization and a preliminary assessment of the proposed method of financing the redevelopment of the Project Area.

### **B. Reasons for Selection of Project Area**

The existing Redevelopment Plan ("1993 Plan") for the Central Long Beach Redevelopment Project Area ("Existing Project" or "Existing Project Area") was initially adopted on September 21, 1993 by Ordinance No. C-7148 pursuant to AB 598 (Chapter 1253, Statutes of 1992). AB 598 was enacted following the civil disturbances in April and May of 1992 to assist the cities in addressing the results and causes of those disturbances.

Due to all of the blighting factors described below and in this Report, the entire Project Area has had an overall decrease in total assessed valuation. The decrease in assessed valuation is primarily affected by numerous assessment appeals as a result of an area that is in decline. These assessment appeals have decreased the overall assessed valuation of the Project Area thereby limiting the amount of tax increment funds to be used to implement projects and programs within the Project Area. The deteriorating physical and economic environment of the Project Area has contributed to the ongoing decline of Project Area conditions. For this reason, and others described in the following sections, the Agency has decided to rescind Ordinance No. C-7148, and terminate the 1993 Plan and the boundaries of the Existing Project Area, and re-adopt the Central Long Beach Redevelopment Project. This action will formulate a new Redevelopment Plan ("Plan") with the same boundaries of the Existing Project Area.

### **C. Blighting Conditions**

The CRL requires that a project have a least one physical and one economic blighting condition. Additionally, the combination of these blighting conditions must present a burden on the community that cannot be remedied without the use of public redevelopment assistance. The following blighting conditions were found to be prevalent in the Project Area.



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## Physical

Deterioration and Dilapidation: Twenty percent of the blocks are impacted by deteriorated or dilapidated structures.

Defective Design or Physical Construction: Twenty-nine percent of the blocks are impacted by residential homes containing faulty alterations.

Building Code Violations: The City of Long Beach has issued 6,707 code violations in the Project Area since 1995.

Exposed Utilities: Forty-three percent of the blocks contain structures exhibiting exposed utilities.

Obsolescence/Substandard Design/Inadequate Building Size: Forty percent of the blocks within the Project Area do not meet present market standards and are considered obsolete. Eighty-seven percent of the single-family units are less than the contemporary development standard.

Incompatible Uses: Forty-one percent of the blocks within the Project Area contain incompatible industrial and commercial land uses impacting residential properties.

Lots of Irregular Shape and Inadequate Size: Forty-two percent of all of the parcels are less than 6,000 square feet in size, which is the standard size of a single-family lot. Seventy-three percent of the commercial properties along major commercial corridors do not meet the standard market size of a commercial parcel (10,000 square feet).

Overall, 65 percent of the blocks within the Project Area contain 10 or more incidences of physical blighting conditions.

## Economic

Depreciated or Stagnant Property Values: The Project Area has had an overall decrease of 3 percent in assessed value since 1994. The median single-family house sales price in the Project Area is 27 percent lower than citywide.

Retail Sales Tax: The Project Area has an average taxable retail sales rate per capita of \$3,377, which is 40 percent lower than the City and 64 percent lower than the County as a whole.

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Site Conditions: Seventy-one percent of the blocks within the Project Area contain properties that exhibit poor site conditions, which is an indicator of impaired investments.

Commercial Vacancies/Low Lease Rates: Twenty-six percent of the blocks within the Project Area contain commercial or industrial buildings that are vacant.

High Crime Rate: Almost 50 percent of all violent crime in the City occurs in the Project Area. Sixty-seven percent of the blocks contain properties that exhibit graffiti.

Overcrowding: All of the census tracts contain overcrowded housing units with 16 of the 21 census tracts at least 20 percent overcrowded. The Project Area has a higher household average in 18 of 21 census tracts analyzed in the Project Area than the average household size of the City as a whole.

#### **D. Proposed Redevelopment Programs**

The Agency has identified several redevelopment programs that can be implemented to best assist the private sector in the redevelopment of the Project Area in accordance with the purposes and intent of the CRL. The Agency proposes to implement the Capital and Public Improvements Program, Commercial Revitalization Program, Neighborhood Revitalization Program, Affordable Housing Program and the Atlantic Avenue Corridor Revitalization Program. The combination of these programs will help to remove impediments to revitalization and alleviate the existing blighting conditions. In addition, the 20 percent required housing set-aside will assist in improving and preserving the community's supply of low- and moderate-income housing. Specific projects and activities would be implemented within these programs as opportunities occur.

#### **E. Tax Increment Revenue**

Before the City can adopt a redevelopment project, it must determine that redevelopment would be financially feasible. This is typically accomplished by comparing projected revenues to costs. Revenues are primarily composed of tax increment dollars generated from the sale, transfer, or substantial rehabilitation of property above the base year assessed property values at the time of project adoption. Project costs include both anticipated projects and programs that the Agency would like to undertake to eliminate blighting conditions as well as administrative costs to implement the redevelopment project.

The preliminary assessment of the financing methods and financial feasibility of the Project indicate that the total cost of the Agency programs for blight elimination is approximately \$385 million over the 30-year life of the Redevelopment Plan.

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Approximately \$79 million would be required for deposit into the Housing Fund. Furthermore, the economic feasibility of the financing plan is based upon the Agency's issuances of tax allocation bonds generating approximately \$66 million. The net tax increment revenues available to the Agency over the life of the Project totals \$230 million, which will provide sufficient revenues to implement the Agency's program and meet all required obligations.

#### **F. Discussion Of Why Private Enterprise Acting Alone Or Alternative Financing Is Not Sufficient To Eliminate Blight**

The deteriorated physical and depressed economic conditions now existing in the Project Area and more extensively described in Section III of this Report, cannot reasonably be expected to be reversed or alleviated by private enterprise or government action, or both, without the authority of redevelopment because there is little incentive for the private sector to invest in the area, and there is a lack of public funding and resources to correct deficiencies. Private investment and development in the Project Area has been hindered because of a variety of risks associated with investment in the Project Area. Government action, in and of itself, cannot reverse all of the conditions that cause blight in the Project Area, nor can it reduce the risk of private sector investment by eliminating the constraints to development without the authority and powers of redevelopment.

Over time the needs, standards and expectations of the citizenry have changed, while buildings, structures and infrastructure facilities have worn, aged and become inadequate. Circulation patterns are inadequate, outdated and hazardous. Public facilities and amenities have not kept pace with changing expectations, nor have the presentation, offering and variety of economic goods and services. The combined affects of these conditions have resulted in an area experiencing severe decline, which cannot reasonably be reversed by private enterprise action alone. Therefore, the Project Area will not improve, depriving its inhabitants of the opportunities, security and life style, which are available to the citizens living in economically and physically prosperous locales.

Alternative funds are available under various rules, conditions and circumstances. However, these funds alone and/or cumulatively are inadequate to accomplish the proposed projects and programs. Without redevelopment, there are a number of funding sources potentially available to municipalities in California. Some of these, such as community development block grants, economic development administration grants and SBA loans and loan guarantees, derive from the Federal government. Regrettably, the availability of money from these programs, particularly Federal programs, has become less available and more restrictive in recent years. Furthermore, the general amount of

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dollars available is inadequate to meet the Project's needs and is often not eligible/applicable for redevelopment project use.

Other financing alternatives, such as enterprise zone funding, State commerce department grants and loans, and employment training grants and loans, derive from state government. While still others, such as industrial development and mortgage backed revenues bonds, private bank CRA financing, assessment district financing, and private/public financing sources, derives from private and "off-budget" governmental sources. However, this type of funding is difficult to implement because of certain restrictions. As an example, Mello-Roos and general obligation bonds require a two-thirds vote of the electorate and assessment districts require a majority of electorate votes. Furthermore, the city runs the risk of overburdening property owners with taxes and assessments.

Unfortunately, none of the above-described financing alternatives are under local control, or are definite and ongoing. All are subject to their own budgetary constraints, at the Federal or State level, and are further subject to lengthy application or arcane administrative procedures which make ready application of their benefits to any given real estate transaction, in which "time is of the essence," problematic at best. Thus, foregoing analysis confirms the fact that tax increment financing must remain the principal source of financing with consideration given to other methods in appropriate circumstances.

## **G. Implementation Plan**

Per Section 33490 of the CRL, the five-year Implementation Plan must state the goals and objectives, show how the proposed projects, programs and expenditures will alleviate blight, and show how the requirements for low- and moderate-income housing in the community will be met. Included as Appendix D to this Report is the Five-Year Implementation Plan adopted by the Agency on November 8, 1999 for the Central Long Beach Redevelopment Project. Although this Implementation Plan was adopted for the Existing Project Area as the boundaries are depicted in the 1993 Plan, the re-adoption of the Central Long Beach Redevelopment Project will use the same Implementation Plan since the goals and objectives, specific projects proposed by the Agency, program of actions and expenditures, and how these projects will improve or alleviate the blighting conditions in the Project Area are exactly the same.

## **H. Method or Plan for Relocation**

The Agency anticipates that its programs of land assembly and upgrading and installation of public improvements and facilities needed within the Project Area will

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provide an incentive for existing owners and the private sector to develop or redevelop vacant, underutilized and blighted properties and to achieve the goals and objectives for the redevelopment of the Project Area. To the extent that the Agency acquires occupied property for land assembly or other purposes, or enters into agreements with existing owners, developers, or others under which occupants will be required to move, the Agency will cause or will be responsible, to the extent provided by law, for causing such displacement of occupants. The Agency is not responsible for any displacement, which may occur as a result of private development activities not directly assisted by the Agency under a disposition and development, participation, or other such agreement.

Displacement of businesses or tenants is anticipated under Agency programs and activities over the 30-year life of the Redevelopment Plan. Should such displacement occur, the Agency will provide persons, families, business owners and tenants displaced by Agency activities with monetary and advisory relocation assistance consistent with the California Relocation Assistance Law (State Government Code, Section 7260 et seq.), the State Guidelines adopted and promulgated pursuant thereto, the Federal Uniform Relocation and Real Property Acquisition Policies Act of 1970 (42 U.S.C. Section 4601 et. seq.), appropriate Federal Guidelines, and the provisions of the Redevelopment Plan for the Central Long Beach Redevelopment Project.

The Agency will pay all relocation payments required by State and Federal law. The General Relocation Plan in Appendix E of this Report outlines the general relocation rules and procedures, which must be adhered to by the Agency in activities requiring the relocation of persons and businesses. Also identified in the General Relocation Plan are the Agency determinations and assurances, which must be made prior to undertaking relocation activities.

## **I. Analysis of the Preliminary Plan**

The Planning Commission of the City of Long Beach approved the Preliminary Plan for the Project Area on April 20, 2000 by Resolution No. 1108. Following this action, the Redevelopment Agency approved and accepted the Preliminary Plan on May 8, 2000 by Resolution No. RA 5-2000. The Preliminary Plan describes the boundary of the Project Area, and contains a general statement of land uses, layout of principal streets, population densities, building intensities, and building standards proposed as the basis for redevelopment of the Project Area. The Preliminary Plan shows how the purpose of the Community Redevelopment Law would be attained through the redevelopment of the Project Area and has a statement of consistency with the General Plan of the City. The Preliminary Plan also describes generally the impact of the Project upon the residents thereof and the surrounding neighborhood. The boundaries of the Project Area have not changed since approval of the Preliminary Plan.

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## **J. Report And Recommendation Of The Planning Commission**

The Planning Commission of the City of Long Beach made its report and recommendation on the Redevelopment Plan on September 7, 2000. The Planning Commission, by adopting Resolution No. 1112, determined that the proposed Plan was consistent with and in conformity with the Long Beach General Plan, and recommended the approval of the proposed Plan

## **K. Summary Referred to in CRL Section 33387**

As described in Section I of this Report, the Central Long Beach Redevelopment Project Area encompasses the previously proposed Long Beach Boulevard Redevelopment Project Area, and the previously proposed Atlantic Avenue Redevelopment Project, and an additional area around these two previously proposed project areas. During the plan adoption process for the two previously proposed projects, project area committees were formed. On October 20, 1992, the City Council adopted Resolution No. C-25322 determining that the PAC for the Existing Project Area will be formed consisting of the existing PACs for the former Long Beach Boulevard Redevelopment Project Area and the former Atlantic Avenue Redevelopment Project.

On June 20, 2000, the Long Beach City Council, by Resolution No. 27703, made a finding that the Central Project Area Committee (CPAC) for the Existing Project Area will serve as the project area committee for the re-adopted Project Area and that a new project area committee is not necessary (see Appendix H of this Report). Furthermore, the City Council by Resolution No. 27704, modified the membership of the CPAC to forty-two (42) members consisting of twelve (12) residential owner-occupants, three (3) residential tenants, ten (10) business representatives and seventeen (17) members from community organizations.

On April 6, 2000, the CPAC held its first meeting related to the re-adoption process for the Project Area, and continued to discuss re-adoption procedures for the proposed Plan at subsequent meetings. As of this writing, the PAC held regular monthly meetings through November 2, 2000 in order to review documents related to the proposed Redevelopment Plan.

The PAC received the Redevelopment Plan for review on October 5, 2000. The PAC has not yet prepared and adopted its report and recommendations to the City Council on the re-adoption of the Redevelopment Plan.

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## **L. Environmental Impact Report Required by Section 21151 of the Public Resources Code**

The purpose of the EIR is to evaluate the environmental effects of a program of redevelopment activities within the Project Area. The EIR evaluated the following environmental issues: air quality, cultural resources, geology and soils, hazards and hazardous materials, hydrology, land use, noise, population and housing, public service, transportation and utilities. The significant environmental effects, which cannot be avoided if the Project is implemented, are as follows:

- Full build-out will result in pollutant emission, which exceed the threshold of significance and which aggravate air quality in the air-shed.
- The Project has the potential to dislocate existing uses, businesses and tenants.
- Full build-out will result in an unmitigated demand for open space and recreation.

The Draft EIR was transmitted to the taxing entities in the Project Area on August 15, 2000. It was then circulated for public review and comment from August 15, 2000 through October 9, 2000. The following agencies submitted comments on the Draft EIR:

- Southern California Association of Governments
- County Sanitation Districts of Los Angeles County
- County of Los Angeles Fire Department
- State Clearinghouse
- Long Beach Unified School District
- City of Seal Beach
- State of California Department of Transportation

The Agency, as the lead agency, is scheduled to certify the Final EIR for the Project at the joint public hearing on the Plan adoption currently scheduled for February 12, 2001. A copy of the Final EIR will be submitted to the City Council as part of the Final Report to City Council. The comments received on the Draft EIR and the required responses will be incorporated into the Final EIR.

## **M. Report of the County Fiscal Officer**

The Agency has yet to receive the County Fiscal Officer's Report ("33328 Report") from the County of Los Angeles. Agency staff has not been given a date as to when the 33328 Report will be completed. The 60-day period for completion and submission of the 33328 Report to the Agency and affected taxing agencies was October 20, 2000. Having not received the 33328 Report, the Agency will proceed as scheduled with the

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re-adoption of the Project in accordance with CRL Section 33328. If the 33328 Report is submitted prior to the re-adoption of the Project, then the Agency will prepare and consider for approval a Supplement to this Report containing an analysis of the 33328 Report.

Section 33328 of the CRL requires the Agency, prior to the publication of a notice of the joint public hearing on the proposed Redevelopment Plan, to consult with each affected taxing agency with respect to the Project and the allocation of tax increment revenues. The Agency submitted Statements of Preparation of a Redevelopment Plan to all of the affected taxing agencies on May 10, 2000. These notices included an offer to consult with each of the taxing agencies. Only the County of Los Angeles has requested a consultation meeting. This meeting occurred on June 15, 2000 and was attended by County officials and Agency staff. A summary of the meeting and items of discussion are contained in Appendix I of this Report.

## **N. Neighborhood Impact Report**

### **1. Relocation**

The Project Area contains residential dwelling units, the majority of which are assumed to be occupied by low- or moderate-income persons or families. Some residential units within the Project Area do not conform (are non-conforming) to the City's existing zoning codes. Although the Agency does not intend to displace any residents, whether the units are conforming or non-conforming, future revitalization projects may necessitate the displacement and relocation of low- and moderate-income residents.

Any displacement which occurs as a result of Agency redevelopment activities will be mitigated by relocation assistance including financial payments, advisory assistance, and replacement housing plan provisions of state law relating to Agency assisted developments. These provisions are further described in this Report under the "Method or Plan for Relocation."

### **2. Environmental Quality**

The environmental impacts of the proposed Redevelopment Plan were analyzed in the EIR for the Project referenced in Section XII of this Report. The EIR analyzed and updated the impacts identified in the Final Environmental Impact Report prepared for the 1993 Plan, which are as follows: air quality; cultural resources; geology and soils; hazards and hazardous materials; hydrology; land use; noise; population and housing; public services; utilities; and transportation. As previously discussed, most of the



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impacts projected to result from implementing the Project can be mitigated. Mitigation measures were included for all impacts considered significant.

### 3. Traffic Circulation

Traffic circulation through the Project Area is constrained due primarily to high traffic volumes along the roadway network. Impact to existing roadways network as result of Plan implementation will consist of an approximate 15 percent increase in vehicular traffic. Most of the additional vehicle trips will occur in the southern portion of the Project Area and along Atlantic Avenue where the majority of the new development will occur. Redevelopment projects will help to mitigate traffic impacts within the Project Area. The proposed Project through a public improvements program includes the provisions for improvements to transportation and circulation systems, upgrading existing roads and landscaping.

### 4. Community Facilities and Services

As noted above, the EIR analyzed the impacts of the Project on fire protection, police protection, schools, library, natural gas, water, wastewater, and electricity. No significant or potentially significant impacts were found or stated for any of the community services or public utilities analyzed in the EIR. The proposed Project is intended to fund the upgrading and installation of public improvements and facilities, which would include improvements to traffic, water, sewer, and drainage systems.

### 5. School Population and Quality of Education

The Project Area is served by the Long Beach Unified School District. This District is either nearly or exceeding capacity. Residential, commercial and industrial development that could occur in the Project Area would increase enrollment in local schools, by 4,500 students possibly requiring the expansion of existing schools or the construction of new schools. To offset development impacts the district collects the maximum statutory development fees allowed by law that help offset the impacts of increased enrollments and cost of new school construction. Overall, the quality of education is expected to remain the same and the potential impact to the schools can be mitigated. Additional employment generated by the redevelopment activity within the Project Area may add school-age children to the area since new commercial and industrial development in the Project Area is anticipated to create new job opportunities, which may increase the labor force in the area. However, redevelopment activities are expected to also foster an increase in property valuation that will result in an increase in the pass through property taxes that the school district would receive.

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## 6. Property Assessment and Taxes

The proposed Project alone will not cause the property taxes to increase. In general, taxable valuations of property within and adjoining should increase as development of that property occurs. New development within the Project will be assessed at market value, as determined by the assessor. Regardless of whether property is in the Project Area or not, the assessor may increase property valuations for existing properties at the maximum rate of two percent per year allowed under Proposition 13. In cases where property changes hands, the assessor will reassess the added value to property and improvements due to any new development or rehabilitation which occurs.

### **O. Relocation and Low- and Moderate-Income Housing**

#### 1. Housing Units to be Destroyed or Removed

Implementation of the proposed Plan may include Agency acquisition of property within the proposed Project Area as provided for by the Redevelopment Plan. The Agency does not have any specific plans for the acquisition of low- and moderate-income housing. The majority of housing units within the Project Area is assumed to be occupied by very low, low- and moderate-income households. However, none of these units are targeted to be destroyed or removed.

#### 2. Projected Residential Displacement

As mentioned above, the Agency does not have any specific plans, which would involve the removal of low- and moderate-income housing units or displacement of low- and moderate-income residents. Should such displacement be contemplated, the Agency will conduct individual household surveys to determine the exact number, type and, location of comparable replacement housing units and the required number of referrals thereto prior to displacement of any person of low- or moderate-income.

#### 3. Number and Location of Replacement Housing

The specific number and type of replacement housing units required pursuant to CRL Section 33413 has not been determined. Should housing units be destroyed or removed from the low- and moderate-income housing market by the Agency, suitable replacement housing locations are available within the Project Area or other areas of the City and County as identified in the applicable General Plan as residential infill areas. For example, the City's 2000-2005 Housing Element identifies a vacancy rate of 5.2 percent for owner and rental-occupied dwelling units. Based upon the total housing

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units in the City of 172,089, there are approximately 8,950 vacant housing units which could be used as replacement housing.

4. Number and Location of Low- and Moderate-Income Housing Planned Other than Replacement Housing

The Agency plans to assist in the construction, rehabilitation and preservation of low- and moderate-income housing in the Project Area under the Neighborhood Revitalization and Development Assistance programs as described in Section IV of this Report. The location of low- and moderate-income housing units may occur anywhere within the Project Area or citywide as permitted by the City and County General Plan. It is estimated within the Agency's Five-Year (2000-2005) Implementation Plan (Appendix D) that as many as 2,937 units may be developed or rehabilitated within the Project Area. Redevelopment law requires that 15 percent of the total housing units be affordable to low- and moderate-income persons. Therefore, it is estimated that at least 440 housing units will be built, rehabilitated or preserved for low- and moderate-income households. These housing units will be developed within the Project Area and citywide.

5. Financing Method for Proposed Low- and Moderate-income Dwelling Units planned for Construction or Rehabilitation

Not less than 20 percent of all taxes which may be allocated to the Agency pursuant to Section 33670 of Article 4 of the CRL shall be used by the Agency for purposes of increasing, improving, preserving the supply of low- and moderate-income housing available at affordable housing cost to persons and families of low- or moderate-income and very low income households. This source of funding will be utilized for assisting in the financing of construction or rehabilitation of low- and moderate-income housing. At least 50 percent of these funds are to be used within the Project Area for new construction.

6. Timetable for Provision of Relocation and Housing Objectives

If replacement housing is to be provided pursuant to Section 33413 of the CRL, the Agency shall take necessary steps to cause the construction, rehabilitation or development of such housing in accordance with the time limits prescribed by law. The timing for rehabilitation will be linked to the availability of the funds and the level of participation by the residents.

The relocation plan(s) prepared by the Agency for a particular development activity shall contain schedules to insure comparable replacement housing is available in accordance with the requirements of the CRL and the State Relocation Guidelines.

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## **P. Other Matters Affecting the Physical and Social Quality of the Environment**

The Project will have beneficial impacts on property owners and businesses in the Project Area. Implementation of the specific projects consistent with the objectives of the General Plan and the proposed Plan will bring about coordinated growth, and development and improvements in the public infrastructure system, making the Project Area a more attractive area, which in turn should stimulate reinvestment. The Project will therefore help the City to reverse long-term decline without the need for more extensive and expensive measures in the future.

The Agency's proposed public improvements programs would improve vehicular access and circulation in and around the Project Area. The public improvements proposed will also improve unsafe and deficient street conditions.

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## **I. INTRODUCTION**

### **A. PURPOSE**

This Report to the City Council (“Report”) for the proposed re-adoption of the Redevelopment Plan (“Redevelopment Plan” or “Plan”) for the Central Long Beach Redevelopment Project (“Project”) has been prepared by the Redevelopment Agency of the City of Long Beach (“Agency”) pursuant to Section 33352 of the Community Redevelopment Law (CRL).

The Report is one of the legally required documents leading to the re-adoption of the proposed Redevelopment Plan. The Report provides documentation on the nature and extent of the conditions of the area included within the Project (“Project Area”) and how these conditions will be corrected through the use of redevelopment. The Report also describes how the redevelopment of the Project Area will be financed so that economic feasibility can be demonstrated.

The primary purpose of the Report is to provide the information, documentation, and evidence required by the CRL to accompany the proposed Redevelopment Plan when it is submitted by the Agency to the City Council. Such information, documentation and evidence is provided to assist the City Council in its consideration of the proposed Project Area and in making the various findings associated with the adoption of the Redevelopment Plan.

The Report is divided into thirteen (13) sections. As shown below, these sections correspond to the subdivisions contained within the CRL, Section 33352 which specify the required contents of a Report to the Legislative Body.

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## ORGANIZATION OF THE REPORT TO CITY COUNCIL

<u>CRL Section No.</u>	<u>Subdivision</u>	<u>Report to City Council</u>
33352(a)	<i>The reasons for the selection of the project area, a description of the specific projects proposed by the agency, a description of how these projects will improve or alleviate the conditions described in subdivision (b).</i>	Section II
33352(b)	<i>A description of the physical and economic conditions specified in Section 33031 that exist in the area that cause the project area to be blighted including a list of the conditions and a map showing where in the project the conditions exist.</i>	Section III
33352(c)	<i>Implementation Plan</i>	Section VI
33352(d)	<i>The proposed method of financing the redevelopment of the project area in sufficient detail so that the legislative body may determine the economic feasibility of the plan.</i>	Section V
33352(e)	<i>A method or plan for the relocation of families and persons to be temporarily or permanently displaced from housing facilities in the project area.</i>	Section VII
33352(f)	<i>Analysis of the Preliminary Plan.</i>	Section VIII
33352(g)	<i>The report and recommendations of the planning commission.</i>	Section IX
33352(h)	<i>The summary referred to in Section 33387 (Project Area Committee or consultations with residents and community organizations).</i>	Section X
33352(i)	<i>The report required by Section 65402 of the Government Code (Report on the conformity of the Redevelopment Plan with the General Plan of the city).</i>	Section IX
33352(j)	<i>The report required by Section 21151 of the Public Resources Code (Environmental Impact Report)</i>	Section XI
33352(k)	<i>The report of the county fiscal officer as required by Section 33328.</i>	Section XII
33352(l)	<i>Neighborhood Impact Report.</i>	Section XIII
33352(m)	<i>An analysis by the agency of the report submitted by the county as required by Section 33328, which shall include a summary of the consultation of the agency, or attempts to consult by the agency, with each of the affected taxing entities.</i>	Section XII

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## **B. BACKGROUND**

The existing Redevelopment Plan ("1993 Plan") for the Central Long Beach Redevelopment Project Area ("Existing Project" or "Existing Project Area") was initially adopted on September 21, 1993 by Ordinance No. C-7148 pursuant to AB 598 (Chapter 1253, Statutes of 1992). AB 598 was enacted following the civil disturbances in April and May of 1992 to assist the cities in addressing the results and causes of those disturbances.

The civil disturbance of 1992 was not the first incident to cause the City of Long Beach to examine and respond to the deteriorated condition of its central area neighborhoods. As early as 1981, the City of Long Beach initiated a series of studies to assess the physical, social and economic conditions affecting Long Beach Boulevard, Atlantic Avenue and surrounding residential, commercial and industrial areas within the Central Long Beach Project Area. As a result of those studies, the City initiated and implemented several programs to rectify or eliminate the adverse conditions; affecting the Existing Project Area or portions of it. These programs included increased code enforcement, residential and commercial rehabilitation, neighborhood preservation, an enterprise zone for increasing employment and business opportunities, and crime reduction measures and programs. Although these improvement programs implemented prior to the adoption of the 1993 Plan revitalized the area to a certain extent, they did not alleviate existing problems to the extent needed to entirely reverse conditions of blight in the area that currently exist even today.

In recognition of the limited scope of the programs implemented before the adoption of the 1993 Plan, the City Council of the City of Long Beach, prior to the civil disturbances, sought to use redevelopment in the areas which appeared to need assistance over and above the programs already in place and would benefit most from the use of redevelopment. In March 1991, the Planning Commission of the City of Long Beach adopted the Preliminary Plan for and selected the boundary of the Long Beach Boulevard Redevelopment Project. One year later, in March of 1992, the Planning Commission took the same action with respect to the Atlantic Avenue Redevelopment Project. Rather than pursue adoption of these two redevelopment project areas separately, the City and the Agency decided to adopt only one redevelopment project encompassing these two proposed project areas. It became clear following the civil disturbances that the use of the tools and authorities provided by redevelopment was warranted in a larger area than that previously identified.

Over the past seven years since the adoption of the 1993 Plan, the Existing Project Area has seen limited improvements in the overall physical and economic make-up of the area. This is largely attributed to the Agency's inability to collect tax increment to

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implement its redevelopment program because of re-assessments in property values, which has caused the assessed value of the Existing Project Area to decline from \$1,948,126,916 in 1994-95 to its present value of \$1,893,758,404. As a result, the Existing Project Area still exhibits most of the physical and economic blighting conditions that were identified in the Agency's Report to City Council (July 1993) for the 1993 Plan. For this reason, and others described in the following sections, the Agency has decided to rescind Ordinance No. C-7148, and terminate the 1993 Plan and the boundaries of the Existing Project Area, and re-adopt the Central Long Beach Redevelopment Project. This action will formulate a new Redevelopment Plan ("Plan") with the same boundaries of the Existing Project Area (hereinafter referred to as the "Project Area").

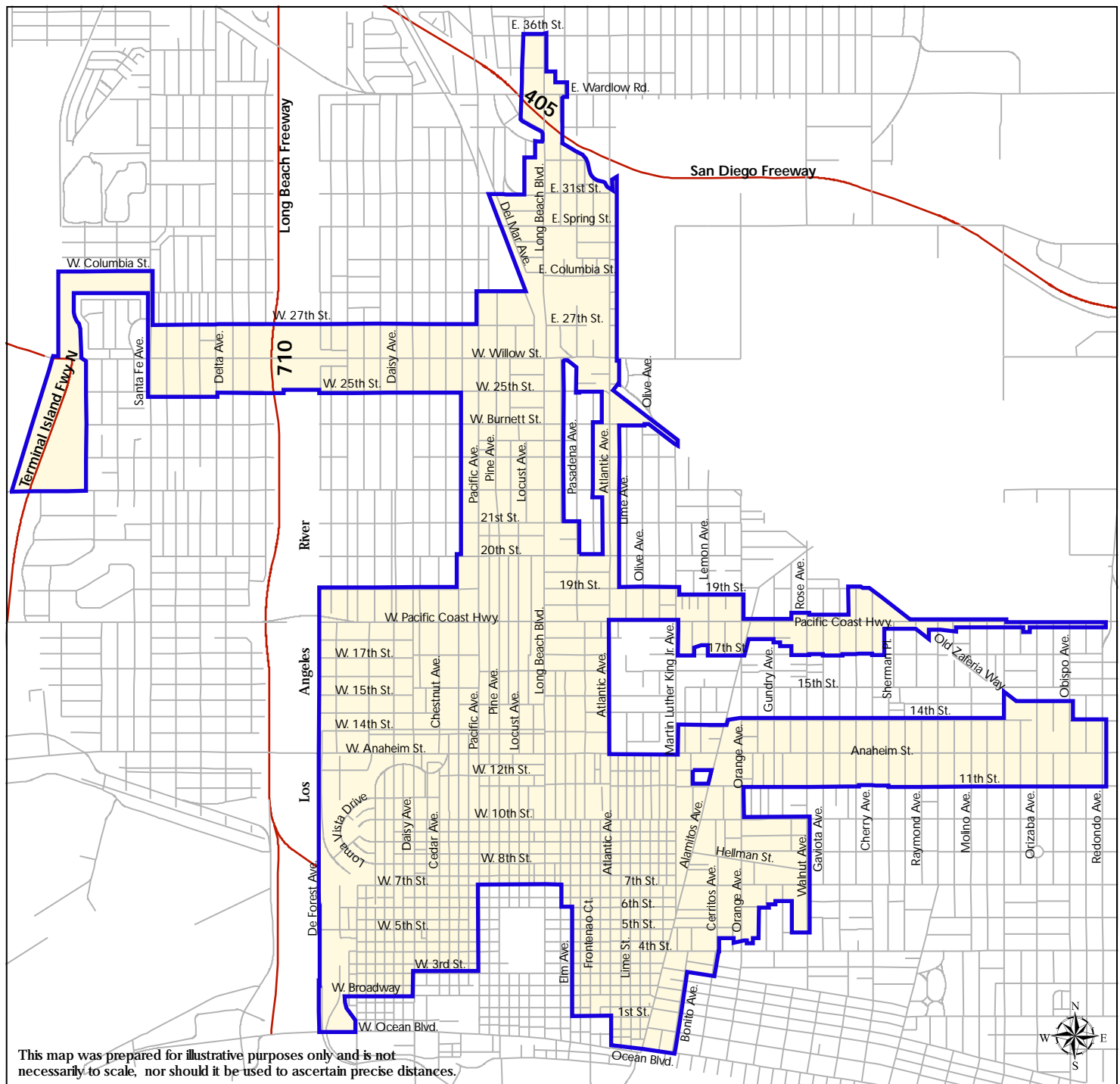
On April 20, 2000, by Resolution No. 1108, the Planning Commission of the City of Long Beach ("Planning Commission"), as provided for by the CRL, adopted the Preliminary Plan, setting the boundary, for the Project Area. The boundary of the Project Area is exactly the same as the Original Project Area adopted in 1993 and is presented on Figure 1. On May 8, 2000 the Agency by Resolution No. R A 5-2000 accepted the Planning Commission's Preliminary Plan and recommended Project Area boundaries.

On May 9, 2000, the City Council determined that the existing Project Area Committee (PAC) will serve as the project area committee for the Project Area and that a new project area committee is not required. On August 14, 2000, the Agency submitted the Redevelopment Plan to the PAC and Planning Commission for their review and recommendation. On September 7, 2000, by Resolution No. 1112 the Planning Commission determined that the proposed Plan conforms to the City's General Plan.



FIGURE 1

## PROJECT AREA MAP



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## II. REASONS FOR SELECTION OF PROJECT AREA

As previously mentioned, the Project Area has been selected because of the ongoing economic and physical blight that exists as a result of many factors, including continued impaired investments resulting from the damage incurred during the civil unrest of April and May 1992. The existing physical and economic conditions of the area resulting in stagnant and decreasing property values have limited the Agency's potential to effectively implement the projects and programs within the previously adopted 1993 Plan. The following discusses generally the existing physical and economic conditions in the Project Area, and the reasons for re-selecting the Project Area.

### A. INTRODUCTION

#### 1. *Elimination of Blighting Influences*

The Project Area was selected based on a prevalence of certain existing and long-term physical and economic conditions which characterize the area as blighted. Section III of this Report describes in detail the conditions existing in the Project Area that contribute to those blighting influences. The following describes those conditions.

The Project Area's residential neighborhoods are threatened by declining physical conditions. The majority of the housing stock exhibits signs of deterioration ranging from deferred maintenance to areas in need of major rehabilitation. The housing stock also exhibits signs of defective design and character of physical construction in which remodeling or "improvements" have not been done properly. Building code violations have increased over the past three years which is a sign that the area is in decline and owners are not willing to reinvest in their properties. Obsolescence is also a significant factor within the residential neighborhoods. Significant portion of residential structures are of inadequate size in regards to today's standards. The deterioration of the area's sidewalks, curbs and gutters further detracts from the neighborhoods' livability and imparts an impression of neglect.

Furthermore, soci-economic changes are placing undo stress on the Project Area's neighborhoods. Housing costs in the Project Area are some of the lowest in the City. Also, the Project Area has experienced an increase of two times the rate in the City's population over the last decade. Regretfully, the Project Area has not experienced a similar increase in housing unit production. This, combined with the fact that Project Area residents have significantly lower incomes compared to City and County residents, has resulted in overcrowded conditions. The existence of substandard design and

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inadequate size residential units within the Project Area has magnified this overcrowded condition.

Both businesses and residents are affected by the crimes, gangs and graffiti in the Project Area. The Project Area has a higher incidence of violent crime than the City at large. Crime increases the cost of doing business by pushing up insurance rates and security costs. Crime also deters business patronage since people will avoid areas they perceive as dangerous. The perception of danger also deters people from investing in property.

The spine of the Project Area is Long Beach Boulevard, a major automobile and rapid transit thoroughfare into downtown. Once a center for new automobile dealerships in the 1980s, Long Beach Boulevard has been mostly abandoned by these dealerships for locations which provide significant marketing advantages, such as direct freeway visibility and accessibility, up-to-date facilities, plentiful parking, clean, safe and well-designed appearance - amenities not found on Long Beach Boulevard. The exodus of new automobile dealerships in the early 1990s has resulted in large vacant properties dominating the streetscape. In other instances, auto body and auto repair shops now use the former auto dealerships for their purposes including outdoor car repair, creating unsightly facilities. These auto repair shops are located directly adjacent to residential structures, which due to the nature of the activity, include obtrusive effects such as noise and exhaust fumes, has created significant incompatible land use scenarios.

In addition to Long Beach Boulevard, the other major commercial arterials of the Project Area are Willow Street, Pacific Coast Highway, Anaheim Street, 7th Street, Pacific Avenue, and Atlantic Avenue. Pacific Coast Highway and Anaheim Street are typical, older automobile-oriented commercial strips, which carry a high volume of east-west traffic. The properties along these streets, like those on other major commercial arterials in the Project Area, are narrow and shallow, and are held by a multiplicity of owners. Retail developments are often of obsolete design and have limited off-street parking for their clientele. The majority of businesses occupy structures built for other purposes, hindering their efficiency. Furthermore, examples of incompatible land uses are also prevalent along these commercial corridors as residential structures are interspersed with commercial and industrial land uses.

Due to all of the blighting factors described above, the entire Project Area has had an overall decrease in total assessed valuation. As described earlier, the decrease in assessed valuation is primarily affected by numerous assessment appeals as a result of an area that is in decline. These assessment appeals have decreased the overall assessed valuation of the Project Area thereby limiting the amount of tax increment funds to be used to implement projects and programs within the Project Area. The

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deteriorating physical and economic environment of the Project Area has contributed to the ongoing decline of Project Area conditions. The decrease in assessed valuation and the existing physical blighting conditions, clearly demonstrates how depressed the Project Area is, and discourages property owners from investing in their property. Furthermore, these properties have been subjected to vandalism and trash accumulation, further diminishing the appearance of the community.

The Project Area has also been unable to attract stable and large scale commercial, industrial and office types of development for the past several years. Clearly, private enterprise has been unable to act alone in revitalizing the Project Area and the Agency has been restricted in its efforts to implement projects and programs to halt the Project Area's continuing decline due to the Project Area's total assessed valuation being lower than the 1993 Plan base year total assessed valuation. Thus, the continued lack of economic activity and the prolonged presence of blighting influences has signaled the need for extraordinary action to stimulate and facilitate the health and welfare of Project Area residents and businesses.

## *2. 1993 Plan and Civil Disturbances*

As previously stated, the primary basis for the formation presented in the Report to Council on the 1993 Plan was based upon impacts resulting from the civil disturbances of April and May 1992. The civil disturbances resulted in the private and public sector experiencing an increase in costs as a result of the damage, which still has impacted the Project Area today. Private sector costs included damage to property, loss of inventory and loss of business estimated at \$19.2 million. The public sector incurred considerable costs by providing services beyond those typically necessary including increase of police presence, fire protection and ambulance and paramedic services. These services were to restore and maintain public safety and to initiate recovery efforts. These immediate monetary costs are not the only costs incurred. The Project Area continues to feel ongoing effects, such as lost patronage, business closures, and declining property values, which is reflected in the Project Area today. Since the adoption of the 1993 Plan the Project Area has had more business closures than business openings, and stagnant taxable sales.

A majority of the property damage resulting from the civil disturbances within the City of Long Beach occurred in the Project Area. Reports from a field inspection on May 3, 1992 by the City's Planning and Building Department reveal that the Project Area experienced the greatest amount of damage. The inspection reports indicate that of the 164 structures assessed for damage, 131, or 80 percent, were within the Project Area. Of the 32 structures that were between 60 and 100 percent destroyed citywide, 28, or 88 percent, were within the Project Area. The majority of structures damaged were

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commercial. Properties on 4<sup>th</sup>, 7<sup>th</sup> and 10<sup>th</sup> Streets, Alamitos Avenue, Long Beach Boulevard, Pacific Avenue, Pacific Coast Highway, and Willow Street suffered the greatest losses. Partially or completely destroyed buildings on those streets represent nearly 90 percent of all buildings damaged or destroyed, and most of those were within the Project Area.

### *3. Agency Goals and Objectives*

Through redevelopment, the City seeks to revitalize the Project Area and completely integrate the Project Area into the City's planning efforts. The CRL provides cities additional land use and development controls and tools to guide future rehabilitation/development not otherwise available. Given the poor physical and economic condition of the Project Area, it is necessary to employ redevelopment to accomplish the City's planning goals.

The overall goals and objectives for redeveloping the Project Area are the promotion of economic development, the elimination of blighting influences and increase in affordable housing opportunities. The success of the proposed Project is contingent on the Agency's ability to induce private sector investment and reinvestment in the Project Area. The Agency foresees assisting commercial property and business owners to improve, maintain and expand existing facilities. It also intends to aid in the creation of new businesses and commercial and industrial enterprises, which provide job opportunities. As set forth in the proposed Redevelopment Plan, the major goals for the proposed Project Area are as follows:

1. The elimination of blighting influences and the correction of environmental deficiencies in the Project Area, including, among others, buildings in which it is unsafe or unhealthy for persons to live or work, small and irregular lots, faulty exterior spacing, obsolete and aged building types, mixed character or shifting uses or vacancies, incompatible and uneconomic land uses, substandard alleys, and inadequate or deteriorated public improvements, facilities, and utilities.
2. The assembly of land into parcels suitable for modern, integrated development with improved pedestrian and vehicular circulation in the Project Area.
3. The replanning, redesign, and development of portions of the Project Area which are stagnant or improperly utilized.
4. The provision of opportunities for participation by owners and tenants in the revitalization of their properties.

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5. The strengthening of retail and other commercial functions in the Project Area.
  6. The strengthening of the economic base of the Project Area and the community by the installation of needed site improvements to stimulate new residential, commercial, and light industrial expansion, employment, and social and economic growth.
  7. The provision of adequate land for parking and open spaces.
  8. The establishment and implementation of performance criteria to assure high site design standards and environmental quality and other design elements, which provide unity and integrity to the entire Project Area.
  9. The expansion, improvement, and preservation of the community's supply of housing available to low- and moderate-income persons and families.

It is the objective of the Agency to improve the existing areas that have been bypassed by new development and redevelopment and ensure that the Project Area is developed in a comprehensive manner that provides for adequate infrastructure, necessary commercial facilities and diversity in housing stock for the growing population. Resolution of health and safety concerns caused by a high crime rate, a lack of economic development, and the on-going deterioration of building structures and infrastructure is a priority of the Agency.

Because of Project Area's considerable needs, redevelopment cannot be the sole solution to improving the area and will have to be used in concert with other City, County, State and Federal programs including CBDG funds, development fees and possibly assessment districts. Finally, significant improvement is not likely to occur in the near-term but redevelopment will be used as the catalyst to bring about an organized rehabilitation and revitalization of the area.

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### III. EXISTING PHYSICAL AND ECONOMIC CONDITIONS IN THE PROJECT AREA

#### A. INTRODUCTION

##### *1. Demographic and Housing Characteristics*

Demographic and housing data reported for the Project Area were obtained on the basis of geographic units that approximate the Project Area's boundary as closely as possible. Census data for the Project Area was derived by aggregating twenty-one (21) census tracts (5722.01, 5722.02, 5726, 5727, 5728, 5730, 5731, 5732.01, 5732.02, 5733, 5751, 5752, 5753, 5754, 5758, 5759, 5762, 5763, 5764, 5765 and 5769). The Project Area takes in all or a sizable portion of these tracts, as shown on Figure 2. Updated Census data<sup>1</sup> provides the most comprehensive and accurate information available for a description of conditions and trends in the Project Area, given the availability and format of relevant data.

The Project Area, as represented by the census tracts cited above, has a 2000 population of 153,148 persons. This represents nearly 34 percent of the population of the City of Long Beach, which has a 2000 population of 450,603 persons. Between 1990 and 2000, the Project Area experienced a growth rate close to 13 percent. This growth rate is more than two times the approximate 5 percent growth rate for the City and 6 percent growth rate of the County (Table 1). A portion of the large population increase between 1990 and 2000 in the Project Area can be related to the increase in the average household size, as discussed below. The high population growth has significant implications for Project Area physical and economic conditions since the increase in the number of housing units during this same period has been much lower, resulting in an increase in overcrowding conditions, as discussed later in this Report. The high population growth also has a significant impact on the City, which is responsible for providing adequate public services and housing based on the City's share of regional housing needs.

As shown in Figure 3, the 1999 median age of the Project Area population is 27.5 years, significantly younger than the median age for the City of Long Beach of 36.1 years and the County of Los Angeles of 34.8 years. As shown in Table 1, the increase in median age from 1990 to 2000 was 7 percent while the City had an increase of 20.3 and the County of 13.4 percent. The primary reason for the lower median age in the Project Area when compared to the City and County is related to a much larger proportion of children in the Project Area. Persons under the age of 12 represent nearly 26 percent of

<sup>1</sup> Most of the demographic and housing data in this Report is based upon estimates derived from the 1990 Census and adjusted by Claritas.

FIGURE 2

# CENSUS TRACT MAP

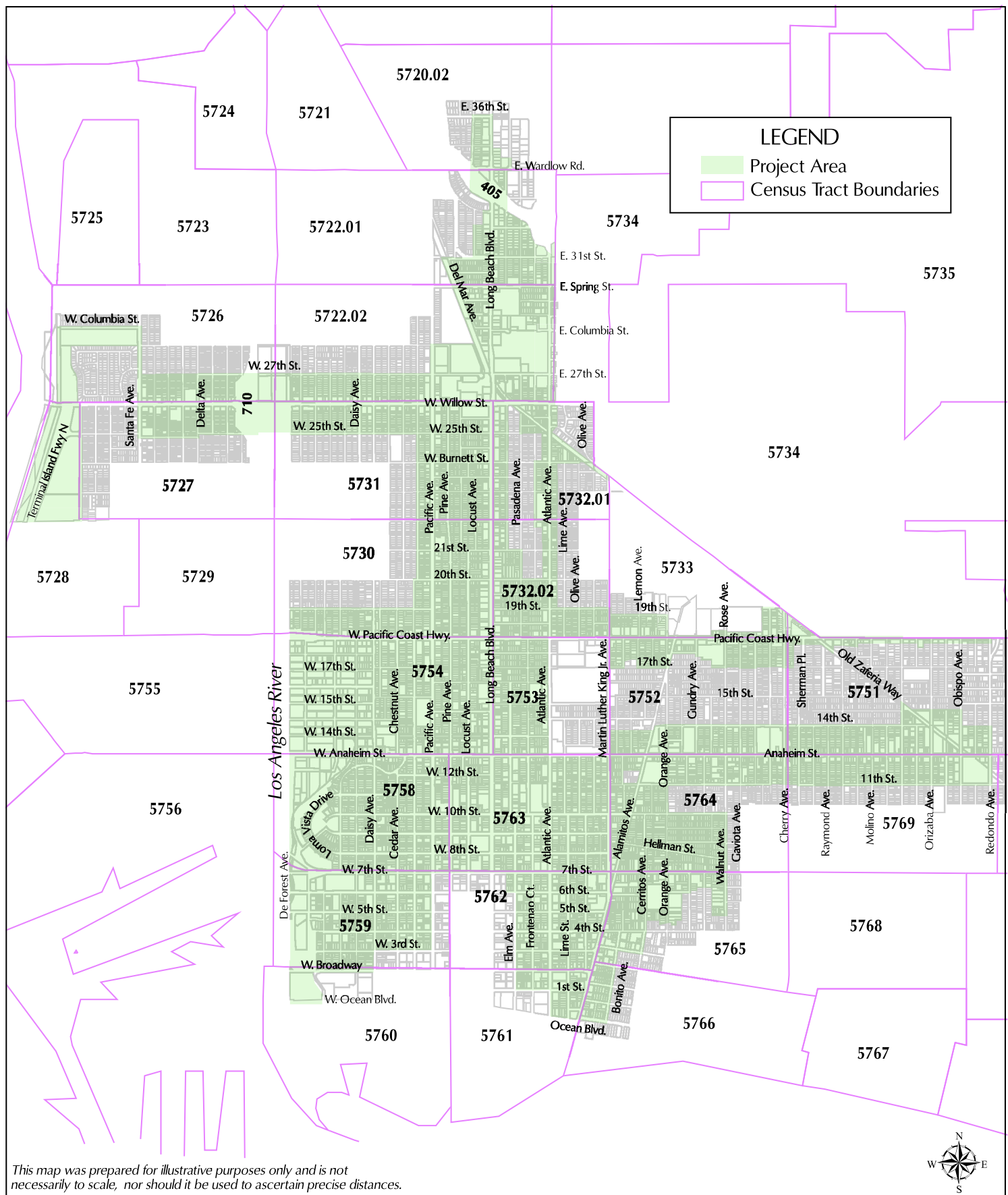




TABLE 1

Central Long Beach Redevelopment Project Area

Long Beach Redevelopment Agency

Population Characteristics: Central Project Area, City of Long Beach and County of Los Angeles -- 1990 and 2000\*

	Central Project Area			City of Long Beach			County of Los Angeles		
	<u>1990</u>	<u>2000</u>	<u>% Change</u>	<u>1990</u>	<u>2000</u>	<u>% Change</u>	<u>1990</u>	<u>2000</u>	<u>% Change</u>
Total Population	135,909	153,148	12.7%	429,433	450,603	4.9%	8,863,164	9,377,938	5.8%
Median Age (in years)	25.7	27.5	7.0%	30.0	36.1	20.3%	30.7	34.8	13.4%

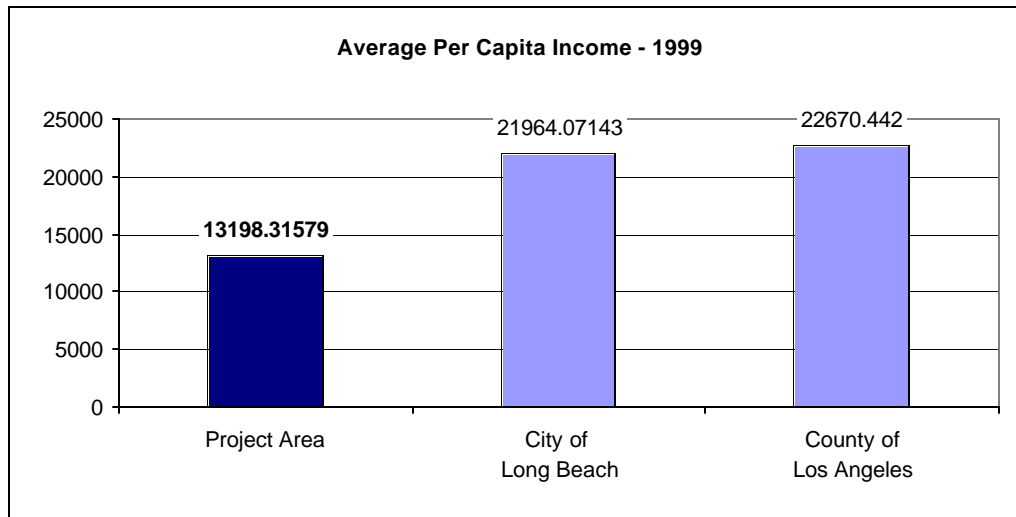
Percent of Population by Age Group

	<u>1990</u>	<u>2000</u>		<u>1990</u>	<u>2000</u>		<u>1990</u>	<u>2000</u>
Age under 12	25.1%	25.5%		18.8%	19.3%		18.3%	18.9%
Age 12-17	8.4%	9.6%		6.7%	7.6%		7.9%	8.2%
Age 18-24	14.4%	10.4%		13.3%	8.5%		12.3%	9.2%
Age 25-34	21.1%	17.1%		21.1%	16.0%		19.8%	16.0%
Age 35-44	12.8%	16.2%		14.6%	17.3%		15.1%	16.9%
Age 45-54	6.5%	9.9%		8.2%	12.5%		9.5%	12.7%
Age 55-64	4.5%	4.7%		6.4%	7.2%		7.4%	7.7%
Age 65+	7.2%	6.6%		10.9%	11.6%		9.7%	10.5%

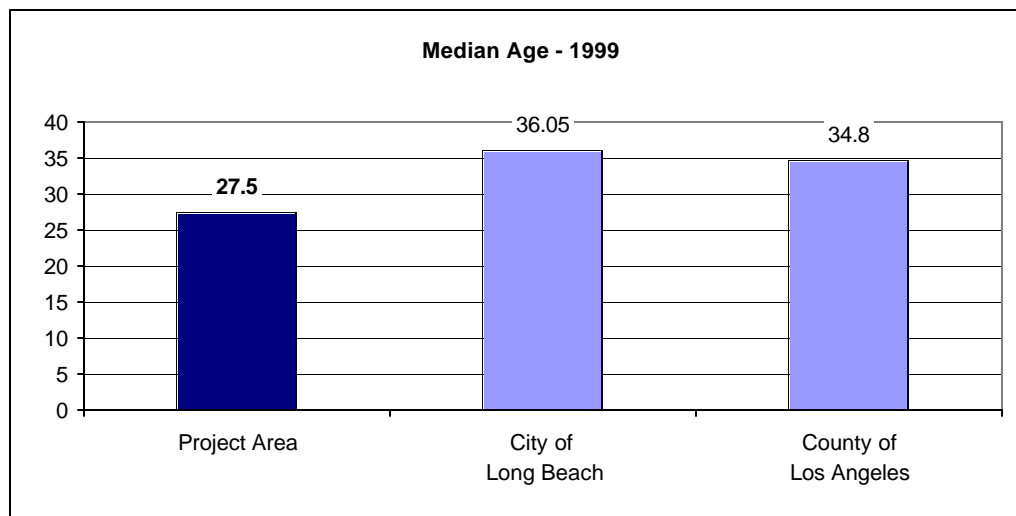
\* 1990 data is based upon the official 1990 Census. 2000 data are estimates derived from the 1990 Census and adjusted by Claritas.

Source: U.S. Census, 1990; City of Long Beach, Advance Planning, 1999; State of California Department of Finance, 2000.

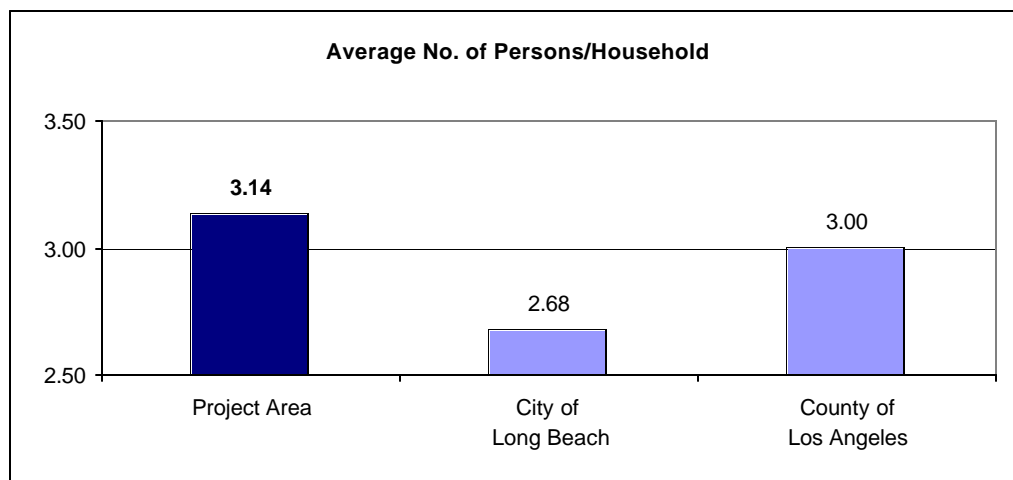
**FIGURE 3**  
**KEY SOCIO-ECONOMIC INDICATORS**  
**LONG BEACH CENTRAL REDEVELOPMENT PROJECT**



**INCOME**

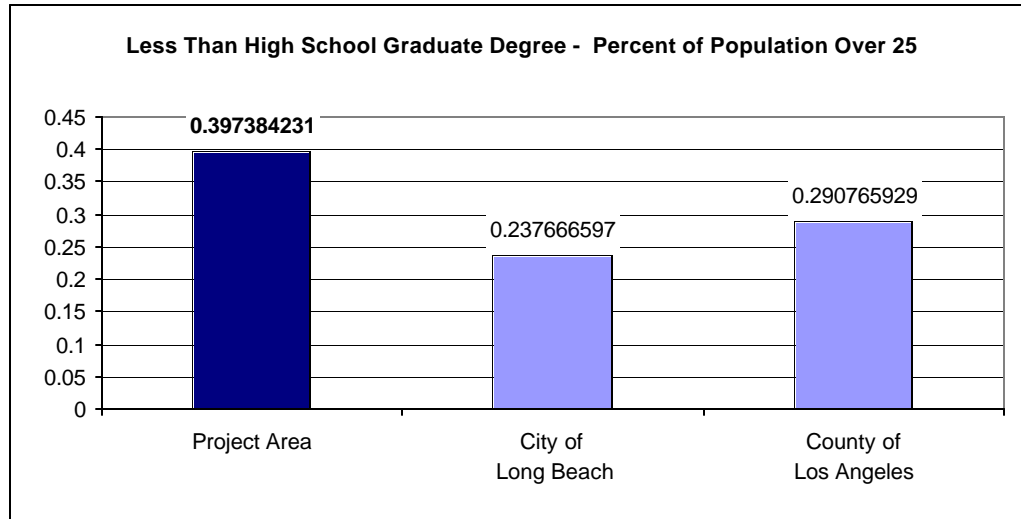


**AGE**

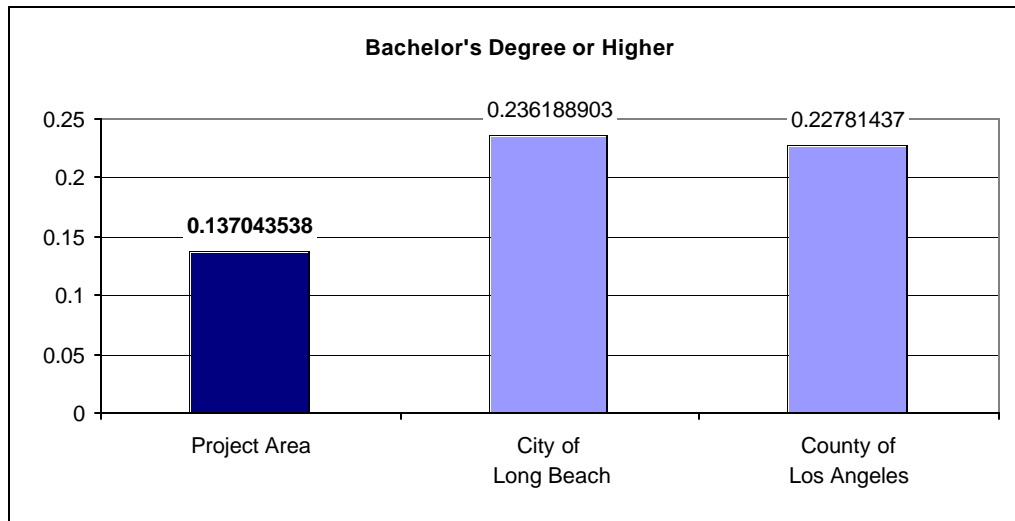


**RESIDENTIAL**  
**OVERCROWDING**

**FIGURE 3**  
**KEY SOCIO-ECONOMIC INDICATORS**  
**LONG BEACH CENTRAL REDEVELOPMENT PROJECT**



**EDUCATIONAL**  
**ATTAINMENT**



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the Project Area's population, higher than the 19 percent for the City and the County. Project Area youths also represent a greater proportion of the teenage population compared to the City and the County. In 2000, nearly 10 percent of the Project Area population was between 12 and 17 years old, while approximately 8 percent of the City and County populations were comprised of this age group. The large number of persons of this age group has important implications for crime in the Project Area since adolescents are more likely to become involved in gangs, drugs, and related criminal activities compared to other age groups.

As shown in Figure 3, residents of the Project Area have lower educational levels, as measured by years of education, compared to residents of the City of Long Beach and the County of Los Angeles. Approximately 40 percent of Project Area residents' age 25 and older did not graduate from high school. In comparison, 24 percent of City residents and 29 percent of County residents age 25 and older did not graduate from high school. Another indicator of the lower educational level of Project Area residents is the much smaller portion of college graduates in the Project Area compared to the City and County. Only about 14 percent of Project Area residents age 25 and older were college graduates, which is lower than the City at 24 percent and the County at 23 percent.

Per capita income of Project Area households is much lower compared to the City of Long Beach and the County of Los Angeles. At \$15,063 in 1999, the Project Area per capita income represents only 69 percent of the City per capita income of \$21,964 and 67 percent of the County per capita income of \$22,670 (Figure 3).

The income of Project Area residents has a significant impact on Project Area conditions. The limited income of Project Area homeowners suggests that residents have little if any disposable income to maintain or improve their properties. Furthermore, affordable housing may be obtainable only as a result of households doubling up, which is very likely since overcrowding does occur, as discussed later. Also, it is difficult to attract businesses and retailers to areas where disposable income is minimal.

The number of housing units in the Project Area slightly decreased by 176 units between 1990 and 1999, representing a decrease of less than 1 percent during this period. In comparison, the City had an increase of 1 percent and the County had an increase of 6 percent over the same time period. The 1 percent housing unit decrease in the Project Area, it is extremely important considering the population growth during the same time period of 13 percent, which creates a higher average persons per household rate and, in turn, creates overcrowding situations. The slow growth in the number of housing units in relation to population during this period can be attributable to a lack of suitable and affordable land for housing for households with very low and low-income and a lack of investment in the area because of its marginal economic and physical condition. The

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majority of Project Area housing units in both 1990 and 1999 were renter occupied. In 1999 close to 76 percent of Project Area housing units were renter occupied. These figures are significantly higher than housing units citywide, with 58 percent, or countywide with 49 percent. Conversely, a smaller percentage of housing units in the Project Area are owner-occupied compared to the City or the County.

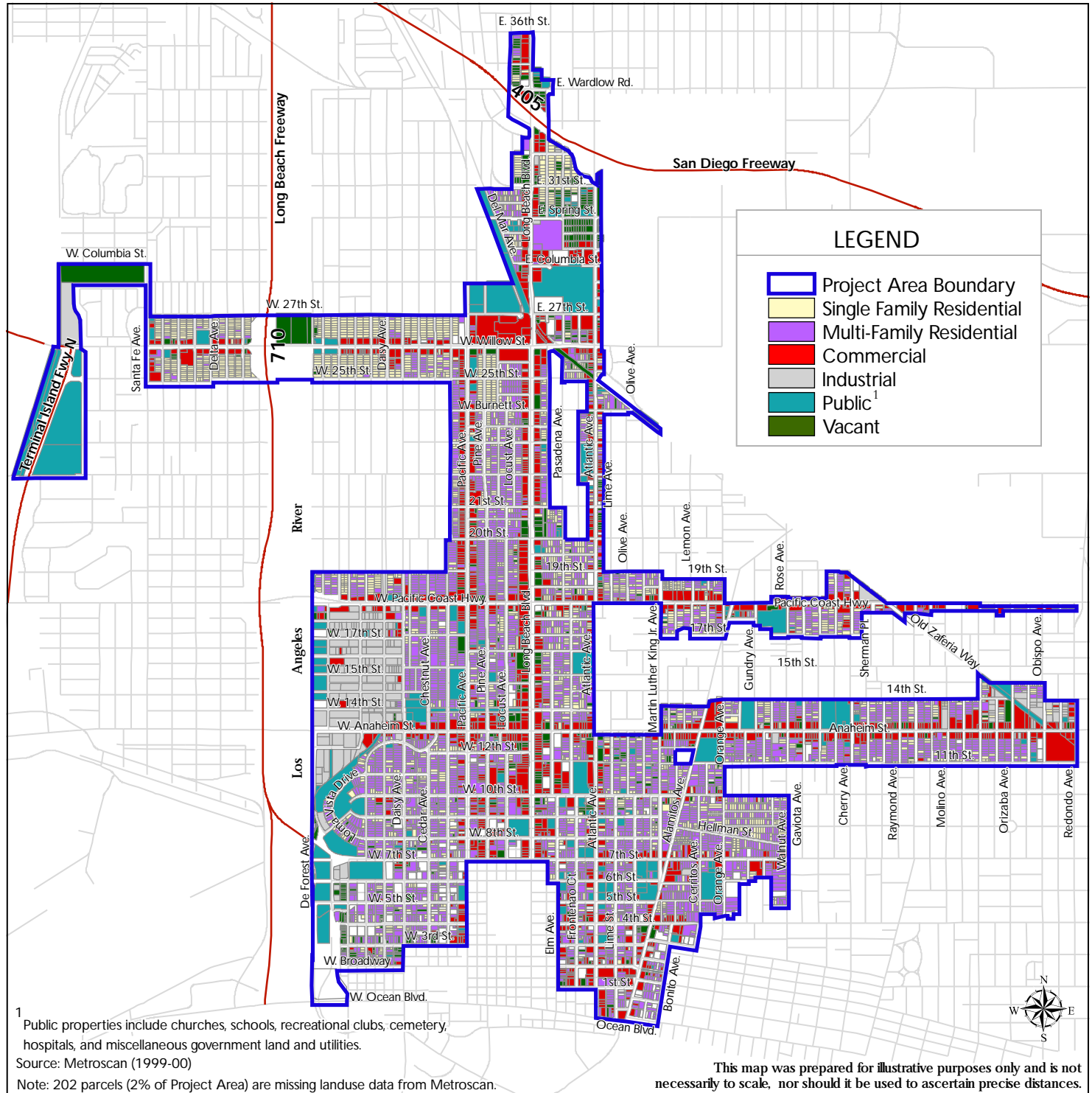
The average household size, or persons per household, is much larger for the Project Area than for the City and the County. A large household size may be the result of families doubling up to make housing affordable. The Project Area has a 1999 average household size of 3.14 persons, higher than the 2.68 for the City and higher than the 3.00 for the County (see Figure 3). The average household size in the Project Area increased from 1990 to 1999 by almost 13 percent, more than four times the rate when compared to the City and three times the rate when compared to the County with an increase of 3 percent and approximately 4 percent, respectively. The large increase in the household size of Project Area households indicate several conditions including large population growth, larger families, more overcrowding, limited housing opportunities, or a combination of all of these factors.

## *2. Existing Uses*

The proposed Project Area primarily consists of residential, commercial, industrial and public/quasi-public land uses. Table 2 shows the breakdown of acreage and parcels for each of the identified existing land uses. Approximately 70 percent of the parcels and 32 percent of the acreage are residential of which the vast majority are multi-family dwellings. Commercial land uses consists of 17 percent of the parcels and 13 percent of the acreage within the Project Area. Public/quasi-public land uses consist of 3 percent of the parcels and 10 percent of the acreage within the Project Area. Industrial uses represent approximately 2 percent of the parcels and 4 percent of the acreage within the Project Area. The remainder of the Project Area consists of a combination of vacant land and public rights-of-way (Figure 4 shows the location of the existing land uses).

FIGURE 4

# EXISTING LAND USE MAP



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**TABLE 2 – Existing Land Use Acreage and Parcels**

Predominant Existing Land Use	Net Acreage <sup>1</sup>		Parcels	
	No.	%	No.	%
Residential				
Single-Family	277.89	10.6	2,446	28.0
Multi-Family <sup>3</sup>	<u>561.95</u>	<u>21.5</u>	<u>3,695</u>	<u>42.3</u>
<b>Subtotal</b>	839.84	32.1	6,141	70.3
Commercial	347.24	13.3	1,487	17.0
Industrial	110.75	4.2	217	2.5
Public/Quasi-Public <sup>4</sup>	267.14	10.2	245	2.8
Vacant	122.70	4.7	655	7.4
Public Rights-of-Way	<u>930.23</u>	<u>35.5</u>	<u>N/A</u>	<u>N/A</u>
<b>Total</b>	2,617.9	100.0	8,745	100.0

<sup>1</sup> Net acreage excludes streets and other public right-of-way.

<sup>2</sup> Includes private residential driveways, yards and related parking.

<sup>3</sup> Includes related parking.

<sup>4</sup> Includes churches, parks, schools, community center and community organization meeting halls.

Source: MetroScan, April 2000.

### *3. Urbanization Status of the Project Area*

As defined in Section 33320.1 of the CRL, to qualify as a redevelopment project an area must be both blighted and urbanized.

Predominately urbanized means that not less than 80 percent of the land in the Project Area:

1. Has been or is developed for urban uses; or
2. Is characterized by lots of irregular shape and inadequate size under multiple ownership; or
3. Is an integral part of one or more areas developed for urban uses, which are surrounded or substantially surrounded by parcels, which have been or are developed for urban uses.

In order for a project area to qualify as being predominantly urbanized, it must meet at least one of the above three conditions.

An analysis of the land use, conditions, and acreage of the Project Area demonstrates that the area qualifies as predominately urbanized under criterion 1, 2 and 3 stated above. All properties within the Project Area are an integral part of an area developed for urban uses. The Project Area is encompassed by urbanized areas within the City of Long Beach.

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Figure 5 identifies parcels that are of irregular shape and inadequate size and under multiple ownership (CRL Section 33031(a)(4)). Figure 5 also identifies all of the vacant parcels within the Project Area.

The urbanization analysis summarized in the table below and organized pursuant to CRL Section 33320.1 (c).

A summary table of the above categories of land use is provided below:

<b>URBANIZATION ANALYSIS</b>		
	<u>Acres</u>	<u>%</u>
Total number of Acres in the Project Area	2,617.9	100%
Total Number of Acres Characterized by the Existence Of Subdivided Lots of Irregular Form and Shape and Inadequate Size for Proper Usefulness and Development that are in Multiple Ownership.	338.60 <sup>2</sup>	12.9%
Total Number of Acres in Agricultural Use	0	0%
Total Number of Acres that is an Integral Part of an Area Developed for Urban Uses (vacant land)	2,617.9	100%
Vacant Land	122.70 <sup>3</sup>	4.7%
Percent of Property That is Predominantly Urbanized	2,617.9	100%

The Project Area contains a total of approximately 2,617.9 acres of land, categorized in various land uses, including residential, commercial, industrial and public/quasi-public facilities. The analysis above demonstrates that 100 percent (or 2,617.9 acres) of property in the Project Area is predominantly urbanized. Thus, the Project Area meets the urbanization criteria as defined by section 33320.1.

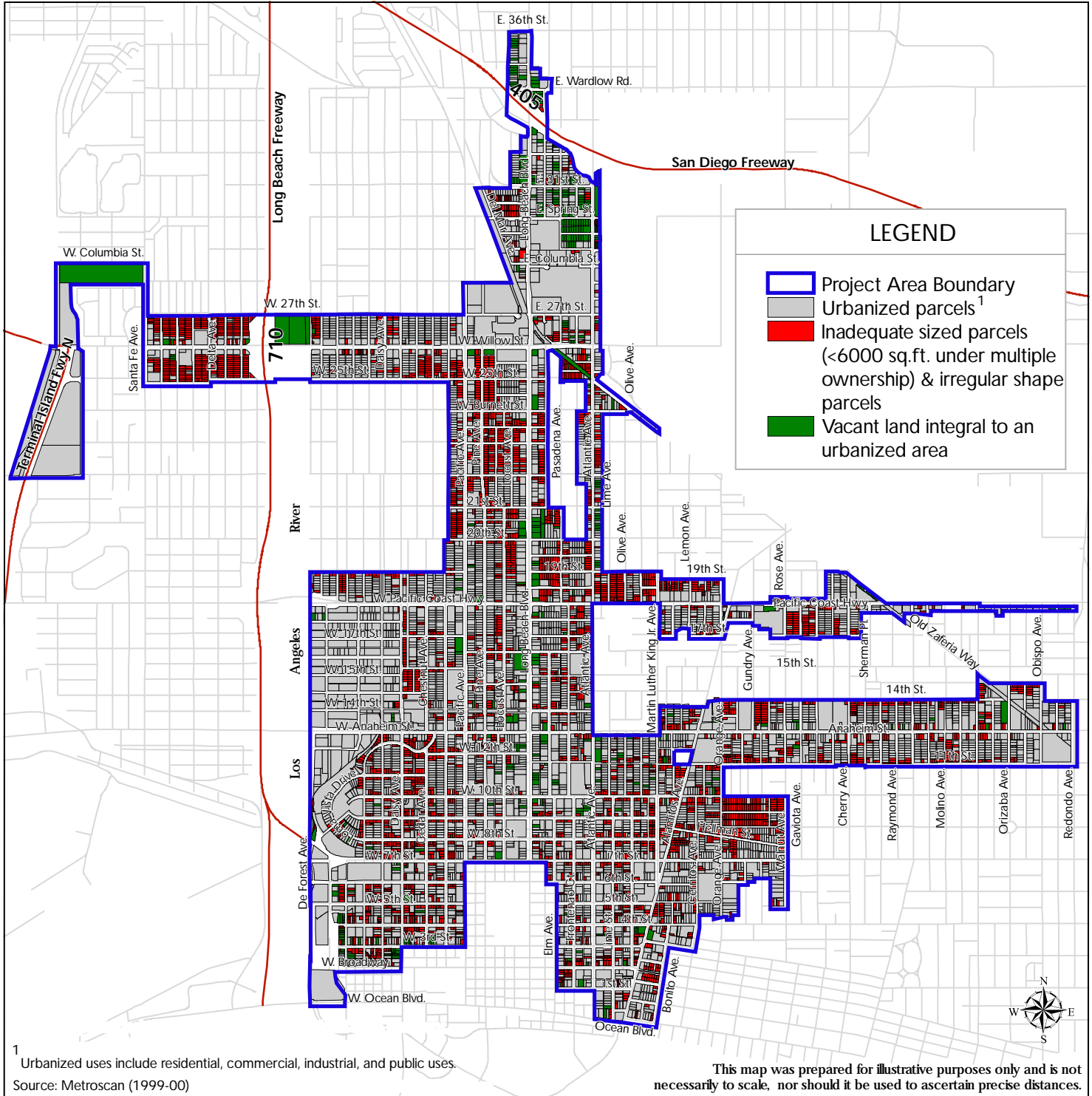
<sup>2</sup> Approximately 3,643 parcels within the Project Area consisting of 338.6 acres are considered of inadequate size (less than 6,000 square feet) and are in multiple ownership.

<sup>3</sup> There are 655 vacant parcels consisting of 122.70 acres located throughout the Project Area (see Figure 5). All of the parcels are considered an integral part of an area developed for urban land uses because each parcel is completely surrounded by urban uses.



FIGURE 5

# Irregular Shape, Inadequate Sized Parcels and Parcels Integral to an Urbanized Area



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#### *4. Blighted Area Defined*

For an area to be included in a redevelopment project it must be characterized by a combination of blighting conditions which are so prevalent and substantial that it causes a reduction of, or lack of, proper utilization of the area to such an extent that it constitutes a serious physical and economic burden on the community which cannot reasonably be expected to be reversed or alleviated by private enterprise or governmental action, or both, without redevelopment.

More specifically the Project Area must be characterized by one or more physical and one or more economic blighting characteristics as defined in Sections 33030 and 33031 of the CRL and repeated below.

#### **Physical Blighting Characteristics**

1. Buildings in which it is unsafe or unhealthy for persons to live or work. Serious building code violations, dilapidation and deterioration, defective design or physical construction, faulty or inadequate utilities, or similar factors can cause these conditions.
2. Factors that prevent or substantially hinder the economically viable use or capacity of buildings or lots. This condition can be caused by substandard design, inadequate building size given present standards and market conditions, lack of parking, or other similar factors.
3. Adjacent or nearby uses that are incompatible with each other and which prevent the economic development of those parcels or other portions of the project area.
4. The existence of subdivided lots of irregular form and shape and inadequate size for proper usefulness and development that are in multiple ownership.

#### **Economic Blighting Characteristics**

1. Depreciated or stagnant property values or impaired investments, including but not necessarily limited to, those properties containing hazardous wastes that require the use of agency authority.

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2. Abnormally high business vacancies, abnormally low lease rates, high turnover rates, abandoned buildings, or excessive vacant lots within an area developed for urban use and served by utilities.
  3. A lack of necessary commercial facilities that are normally found in neighborhoods, including grocery stores, drug stores, and banks and other lending institutions.
  4. Residential overcrowding or an excess of bars, liquor stores, or businesses that cater exclusively to adults that has led to problems of public safety and welfare.
  5. A high crime rate that constitutes a serious threat to the public safety and welfare.

### *5. Field Survey Methodology*

The discussion in the following sections regarding the existing blighting conditions within the Project Area is in part based upon a block-by-block field survey conducted by KMA which is supplemented by secondary data. The purpose of the field survey was to determine the general location, prevalence and type of physical characteristics impacting the Project Area as outlined in the CRL.

The block-by-block field survey consisted of evaluating the existing condition of the exterior portion of each primary structure located within a block, as well as various conditions of the sites and buildings which effect their livability and economic viability. Also documented were visible indicators of a high crime rate such as the existence of graffiti and structures containing barred windows and doors.

The different blighting conditions as described above were tallied per block on the field survey form list (see Appendix A) based upon the number of each blighting incidence that was exhibited. The criteria for evaluating building and site conditions is provided in Appendix B. Within the Project Area there are a total of 464 blocks.

### *6. Blight Methodology Criteria*

To indicate prevalence, the blighting conditions are reported as a percentage of the total parcels that comprise a typical block. Most of the blocks consisted of approximately 20 properties. Therefore, for purposes of reporting the findings of the field survey, it is assumed that all blocks contain 20 parcels. As an example, if there were four (4) incidences of deteriorated or dilapidated structures 20 percent of the block was considered deteriorated or dilapidated. Some blocks exhibit a concentration of a specific

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type of physical blighting condition, which alone substantially impacts the area. In other instances, if a block contains various types of blight as described in CRL Section 33031 but no predominate type of blight, then the sum of the various blighting conditions has a cumulative impact on adjacent areas. For example, if a block composed of 20 parcels, which is the average number of parcels per block in the Project Area, exhibited two incidences each of deteriorated structures, graffiti, site conditions, obsolescence and incompatible land uses, then that particular block would be impacted due to the cumulative amount of blight that is within the block. Therefore, for the purpose of this Report, and as described below, any block that contains 10 or more total incidences of blighting conditions (assumed to be 50 percent of the properties) will be considered substantially blighted. The following describes the breakdown of the categories used within this Report for determining whether a particular block contained significant blighting conditions:

Limited Blighting Conditions – This designation applies if the total number of properties of a block contains 10 percent or less of a particular blighting condition or 20 percent of the sum of multiple blighting conditions. For example, a block that contains 20 properties and exhibits two incidences of a specific blighting condition (i.e., structural deterioration) or four instances of multiple blighting conditions would fall into this category. While the blighting conditions are not predominating within this block, when contiguous to other blocks with blighting conditions contributes to the overall decline of the Project Area as a whole.

Moderate Blighting Conditions – This designation applies if the total number of properties of a block contains between 11-19 percent of a particular blighting condition or between 25-49 percent of the sum of multiple blighting conditions. For example, a block that contains 20 properties and exhibits three incidences of a particular blighting condition or between five and nine instances of multiple blighting conditions would fall into this category. This blighting condition is prevalent within this block and its existence contributes to the overall decline of the Project Area as a whole.

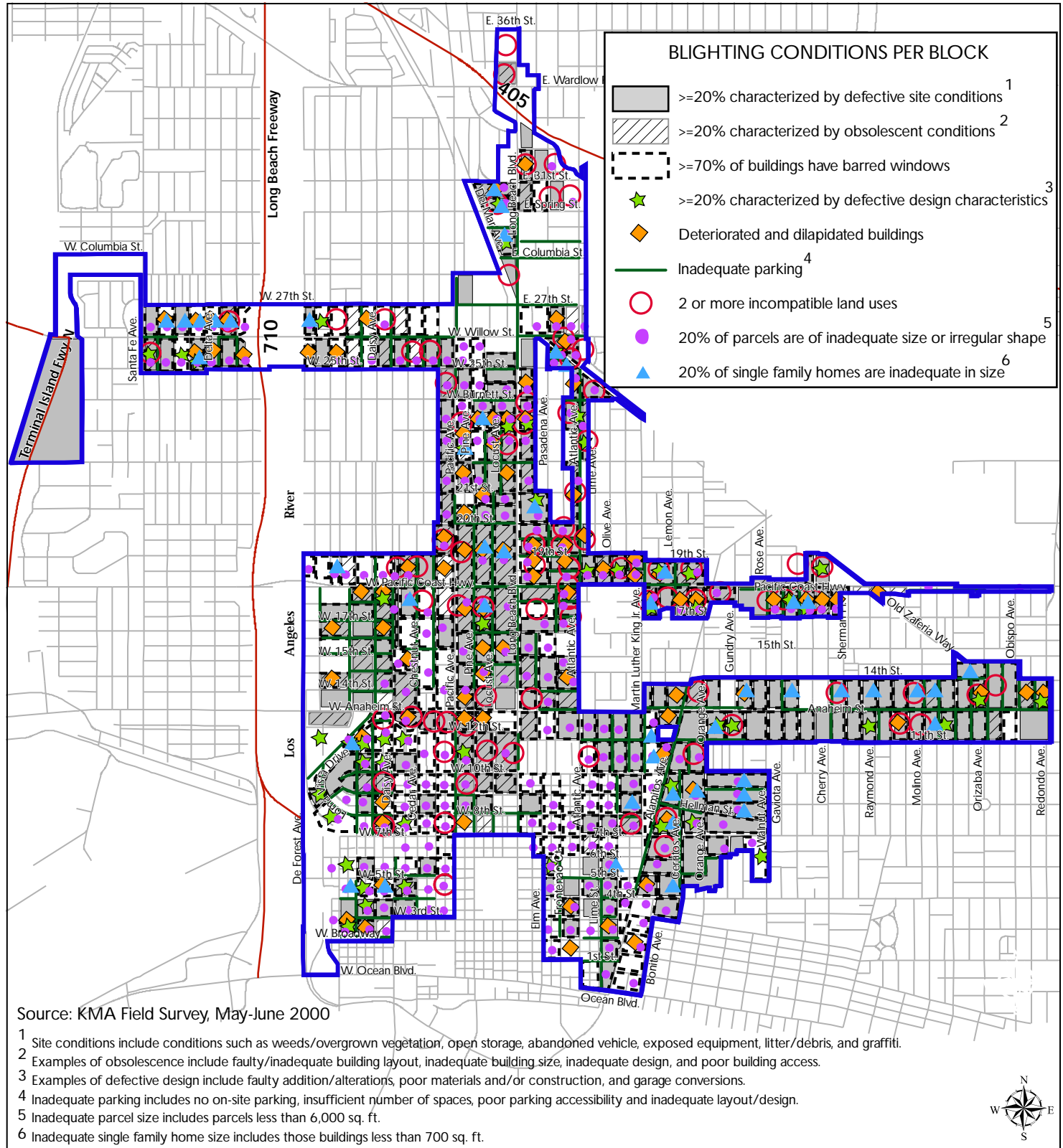
Substantial Blighting Conditions – This designation applies if the total number of properties of a block contains at least 20 percent or more of a particular blighting condition or 50 percent of the sum of multiple blighting conditions. For example, a block that contains 20 properties and exhibits four incidences of a particular blighting condition or ten instances of multiple blighting conditions would fall into this category. This blighting condition is prevalent within this block and its existence contributes to the overall decline of the Project Area as a whole.

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Figure 6 shows a compilation of all of the blighting conditions that occur per block within the Project Area that meet the criteria of either moderately blighted or substantially blighted as described above. A summary of the pertinent physical and economic blighting conditions and infrastructure deficiencies impacting the Project Area are summarized in Table 3 on the following pages. As stated in Table 3 and shown on Figure 7, 301 of the 464 blocks within the Project Area or 65 percent contain 10 or more incidences of blighting conditions.

FIGURE 6

## COMPOSITE BLIGHT MAP



This map was prepared for illustrative purposes only and is not necessarily to scale, nor should it be used to ascertain precise distances.

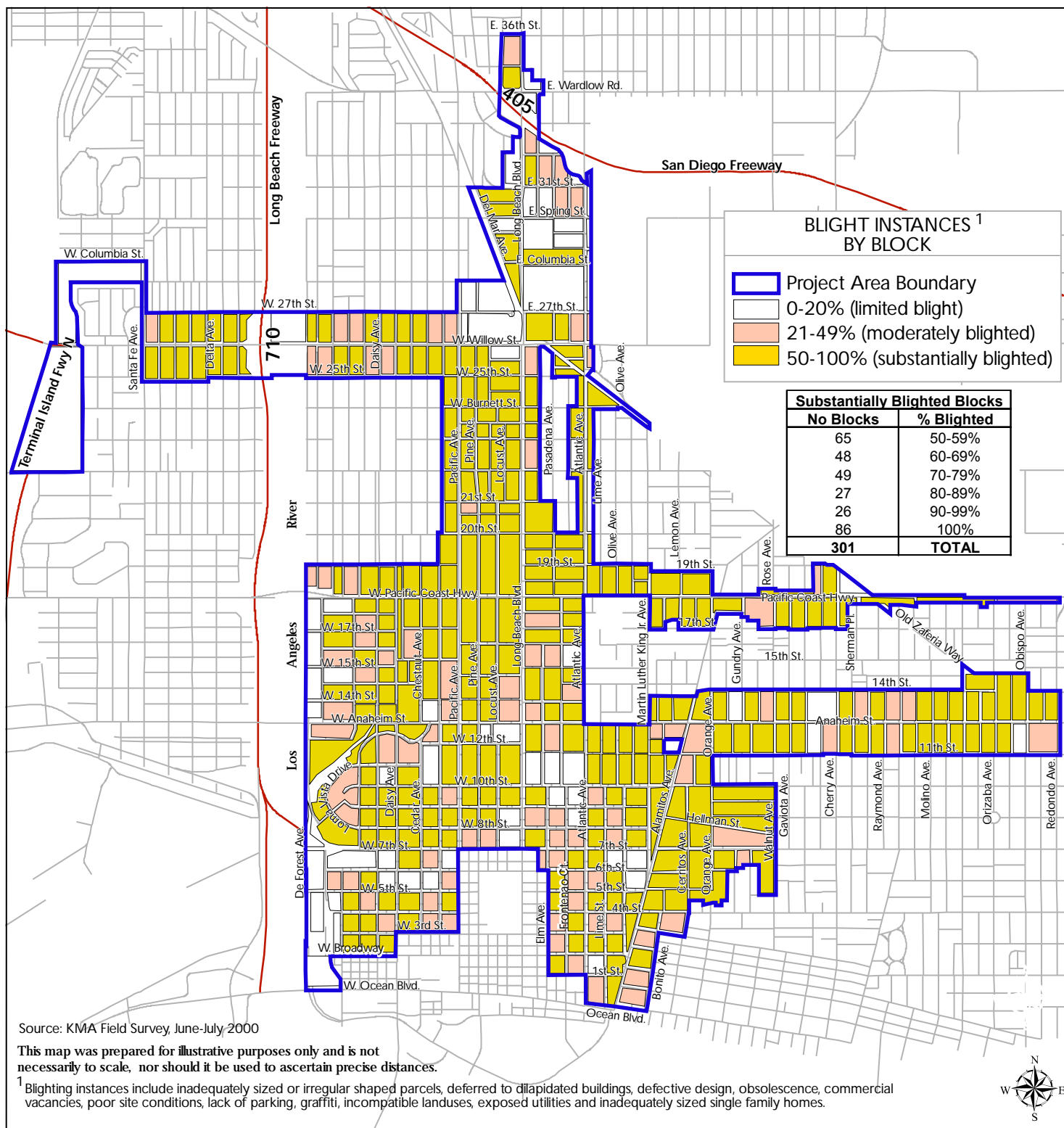
**TABLE 3 – Summary of Blighting Conditions**

<b>BLIGHTING CONDITIONS PHYSICAL<sup>1</sup></b>	<b>PROJECT AREA IMPACT</b>
Deterioration & Dilapidation	91 blocks (20%) are moderately to substantially impacted by deteriorated or dilapidated structure(s). In addition, 361 blocks (78%) are moderately to substantially impacted by structures that exhibit deferred maintenance.
Defective Design or Physical Construction	134 blocks (29%) are moderately to substantially impacted by residential homes that contain faulty alterations such as illegal garage conversions, evidenced by characteristics of inadequate ventilation and light, or the use of faulty materials.
Building Code Violations	The City of Long Beach has issued 6,707 code violations in the Project Area since 1995, including 1,592 violations in 1999. This represents 42 percent of the total building code violations within the City as a whole.
Exposed Utilities	198 blocks (43%) contain structures exhibiting exposed utilities including electrical wiring and exterior plumbing.
Obsolescence/Substandard Design and Inadequate Building Size	186 blocks (40%) contain residential, commercial and industrial buildings that do not meet present market standards and are considered obsolete as evidenced by inadequate sized buildings and lack of adequate off-street parking facilities. Approximately 2,072 single-family units or 86.7% of the single-family units in the Project Area are less than 1,700 square feet in size, which is the average size for units built after 1970. Inadequate building size combined with a higher than household average size has resulted in overcrowding conditions.
Incompatible Uses	There are approximately 191 blocks (41%) containing incompatible industrial and commercial land uses impacting residential properties.
Lots of Irregular Shape and Inadequate Size	42% of all the parcels in the Project Area are less than 6,000 square feet in size, which is the size of standard lot for a single-family home. An average of 73% of all the commercial designated parcels along Long Beach Boulevard, Atlantic Avenue, PCH, and Anaheim Street are less than 10,000 square feet which is the standard lot size requirement.
Project Area Overall	301 of the 464 blocks within the Project Area (65%) contain 10 or more incidences of physical blighting conditions.
<b>ECONOMIC</b>	
Depreciated or Stagnant Property Values	The Project Area has had an overall decrease of three percent in assessed property value since 1994 compared to an increase of six percent for the City. The median single-family house sales price in the Project Area is 27% lower than citywide and since 1992 housing values in the Project Area have decreased by 6% compared to a 2% decrease citywide. The Project Area has an average taxable sales rate per capita of \$3,377 which is 40% lower than City and 64% lower than County.
Site Conditions	332 blocks (71%) contain properties that exhibit poor site conditions including abandon vehicles, overgrown vegetation, and trash and debris, which is an indicator of impaired investments.
Commercial Vacancies/Low Lease Rates	119 blocks (26%) contain commercial or industrial buildings that are vacant. Lease rates for commercial and industrial properties within the Project Area are 49 and 50 percent lower than other parts of the City.
High Crime Rate	Almost 50% of all violent crimes within the City occur within the Project Area. 379 blocks (81%) contain structures with barred windows. 313 blocks (67%) contain properties that exhibit graffiti.
Overcrowding	Within the Project Area 16 of the 21 census tracts are at least 20% overcrowded. The Project Area has a higher household average in 18 of 21 census tracts analyzed in the Project Area than the average household size for the City as a whole.
<b>Infrastructure Deficiencies</b>	The road system in the Project Area is deteriorating and in some areas lacks curbs, gutters and street lighting. Other infrastructure deficiencies include unimproved alleys, parking deficiencies and overhead utilities. It is estimated that approximately \$89.3 million will be used on infrastructure improvements.

<sup>1</sup> The physical blighting conditions (i.e., deterioration and dilapidation) are defined in Appendix B (Field Survey Evaluation Criteria).

FIGURE 7

# BLIGHT INSTANCES BY BLOCK





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## **B. PHYSICAL CONDITIONS THAT CAUSE BLIGHT**

### *1. Buildings in Which it is Unsafe or Unhealthy for Persons to Live or Work*

By definition as set forth by the CRL, buildings which are considered unsafe or unhealthy for persons to live or work include those which exhibit defective design or physical construction, serious code violations, deterioration and dilapidation, faulty or inadequate utilities or other unsafe conditions which pose a threat to the health and safety of user or occupants.

#### **a. Defective Design and Physical Construction**

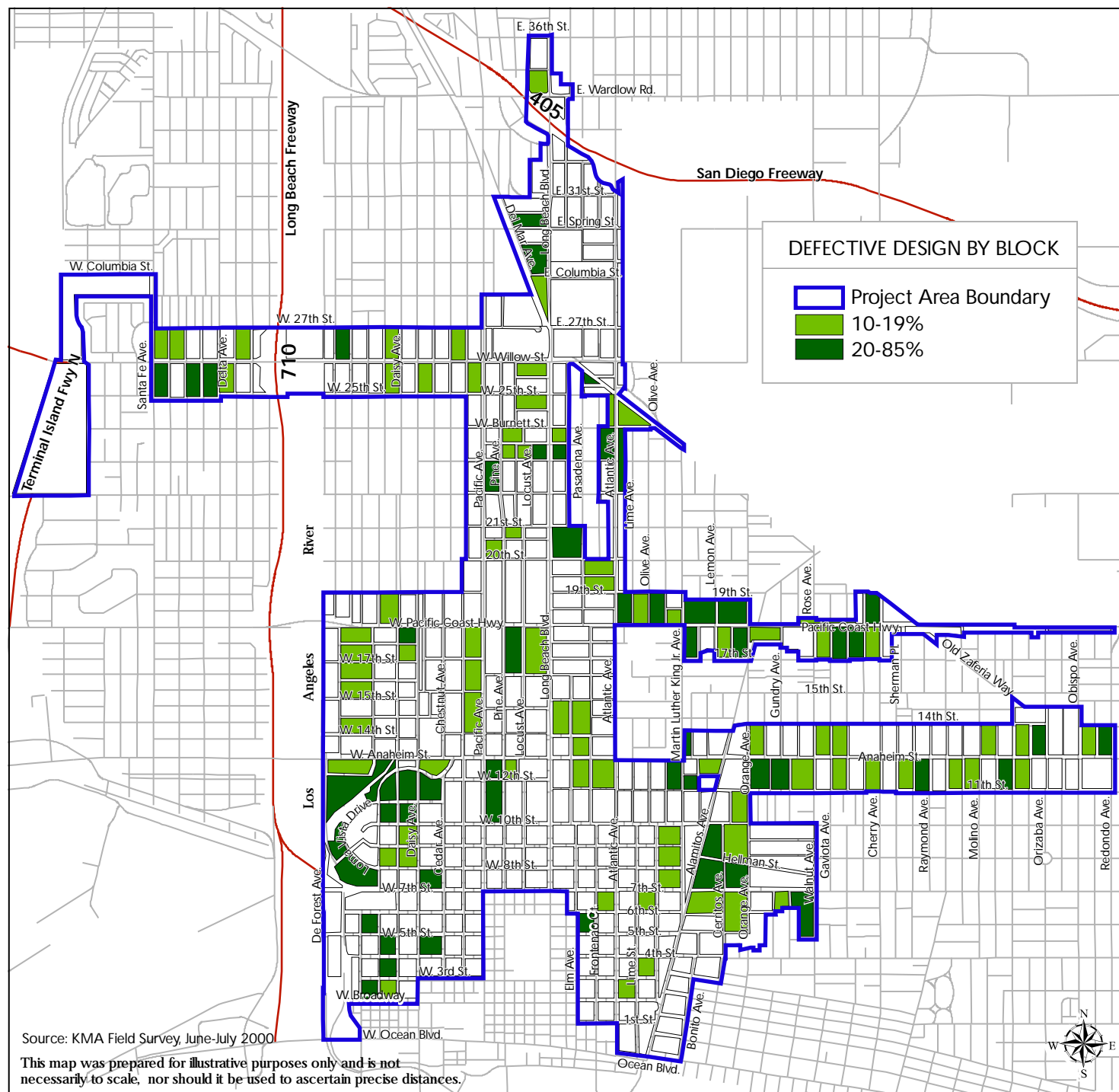
Defective design or physical construction of buildings generally refers to a variety of conditions related to buildings or their additions, which do not meet acceptable and common standards/practices for building design and construction. These conditions typically include faulty additions, substandard construction, use of inappropriate building materials, faulty utilities, deficient light and ventilation, and other similar characteristics.

Based upon the field survey, 134 of 464 blocks (29%) within the Project Area contain a minimum of 10 percent of the structures that are characterized by this blighting condition. Figure 8 shows the blocks located within the Project Area containing between 10 and 85 percent of the structures that are of defective design and physical construction. The highest concentration of structures exhibiting defective design and physical construction as shown on Figure 8 are located south of Willow Street between Santa Fe Avenue and Delta Avenue; south of Anaheim Street between Loma Vista Drive and Cedar Avenue; north of 7<sup>th</sup> Street between Alamitos Avenue and Orange Avenue; and along Pacific Coast Highway between Atlantic Avenue and Orange Avenue.

Single-family garage conversions are the most common elements of defective design found in the Project Area as illustrated on Plate 1 in Appendix C. Garages that have been converted to living space often are not built to modern building standards. These conversions do not appear to have adequate light and ventilation and are not typically equipped with proper utilities, including heating or electricity. Furthermore, garage conversions are an indication of overcrowding conditions within an area. With a higher average household size and inadequate sized residential dwelling units, homeowners are inclined to convert their garages into additional space in order to accommodate a higher household population. As previously mentioned, 18 of 21 census tracts analyzed in the Project Area had higher household sizes than the City as a whole and approximately 46 percent of the single-family units in the Project are less than 1,100 square feet which is significantly less than present market standards. Furthermore, these conversions also cause vehicle circulation problems. Where these conversions

FIGURE 8

## DEFECTIVE DESIGN & PHYSICAL CONSTRUCTION



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take place, the on-site parking is significantly reduced, often to the point where street parking is impacted. In the Project Area, many houses with garage conversions and narrow driveways resort to parking as many as three or four cars in their yards and in the streets in front of their house. Furthermore, the streets in portions of the Project Area are narrow, which further limits the vehicle circulation and available parking in the neighborhoods. As an example, there are numerous one-way streets in residential areas between 7<sup>th</sup> and 10<sup>th</sup> Streets east of Alamitos Avenue. Due to the narrowness of the streets, these streets only provide on-street parking on one side of the street.

In addition to garage conversions, many current or former owners within the Project Area have structurally modified their buildings in some form, particularly with newer additions. Some of these modifications and additions appear to be “bootlegged”, in that proper permit and building code requirements and standards have not been followed. Many of these have been constructed with little regard to integrating the addition with the design of the, original structure and are typically constructed from poor or improperly used materials. Plate 5 shows examples of structures built with low grade, “scrap”, or faulty materials. Plate 6 shows poorly integrated additions and faulty construction. Such structures present health and safety hazards because construction with inappropriate materials is more likely to cause a structure to deteriorate, leak, sag and possibly collapse. Based upon building code information provided by the City, approximately 148 violations have been reported within the Project Area since 1995 regarding faulty modifications and additions. These types of faulty structures are prevalent in areas containing higher density, mixed use and older single-family areas which include the residential areas along Anaheim Street between Orange Avenue and Redondo Avenue; along Pacific Coast Highway between Atlantic Avenue and Sherman Place; along Alamitos Avenue between 5<sup>th</sup> and 10<sup>th</sup> Streets; and along Long Beach Boulevard between Spring Street and 27<sup>th</sup> Street.

Bootlegged additions, which do not meet building and other construction standards, may represent a serious impediment to reinvestment because potential buyers are reluctant to purchase a property that has not been improved through proper construction and permit procedures.

Exterior plumbing and electrical utility systems are another example of defective design. Many Project Area buildings have exterior plumbing and electrical systems, as illustrated in the examples shown on Plates 2, 3 and 4 in Appendix C. Exterior wiring and plumbing fixtures are a potential safety hazard because of age, location, and the possibility that they do not meet modern code standards. Exterior electrical and plumbing systems are subject to damage because of weather conditions such as salt air which could corrode pipe and electrical wire casing, thereby causing water leakage, damage, or fire hazard. Exterior utilities are also exposed to accidental dislocation or

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vandalism. Within the Project Area, approximately 1,232 utility-related building code violations have been reported in the past five years. Furthermore, based upon the field survey, 198 of 464 blocks within the Project Area contain structures that contain exposed utilities. The primary locations of this type of incidences occurred in older commercial and residential areas, which include Willow Street west of the 710 Freeway; along Alamitos Avenue between 6<sup>th</sup> and 10<sup>th</sup> Streets; and along Pacific Coast Highway between Atlantic Avenue and Cherry Avenue.

#### b. Building Code Violations

The City of Long Beach Code Enforcement Department issues building code violations for the Project Area and the City of Long Beach as a whole. Code violation inspections are conducted when a business, resident or property owner files a complaint regarding a nuisance or substandard condition on a property. The City does not have sufficient staff to proactively inspect all sites for violations. Therefore, the number of violations reported or inspected is likely an under-representation of the total code violations. Also, the vast majority of complaints are from residents regarding violations on adjoining residential properties, so there is little information on potential commercial and industrial code violations.

Based on data collected by the City since 1995 (1995-1999), there have been 6,707 code violations issued in the Project Area (Table 4). Primarily, these building code violations address property maintenance, substandard buildings, substandard conditions, zone enforcement, and special cases. Property maintenance cases are defined as properties containing trash, abandoned vehicles, and graffiti. Special cases are defined as structures that contain room additions or alterations without obtaining a permit. Substantial building cases are defined as buildings that are deteriorating or hazardous. Substandard conditions are defined as structures containing ceilings or floors that are in disrepair. Finally, zoning enforcement cases are defined as structures that contain garage conversions or the operation of a business from the garage. From 1995 to 1999, building code violations have increased by 46 percent from 1,088 in 1995 to 1,592 in 1999. Of this overall increase, property maintenance increased by 136 percent, and substandard conditions increased by 28 percent increase. In that same time period, special cases decreased by 29 percent, substandard buildings decreased by 32 percent and zone enforcement by 3 percent. Property maintenance violations represent 51 percent of the total building code violations with substandard building representing 18 percent. Special cases violation at 2 percent represent the smallest portion of the building code violations. The data shown in Table 4 does not necessarily represent all violations present in the area. For example, the field survey conducted by KMA in May and June of 2000 found a total of 672 incidences of properties containing

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abandoned vehicles, litter and debris. The incidences are located throughout the Project Area with no area predominating.

**TABLE 4 – Building Code Violations Within the Project Area**

	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>% Increase 1995-1999</u>
Property Maintenance	411	718	655	648	971	136%
Special Cases	24	34	24	49	17	-29%
Substandard Building	272	272	286	218	184	-32%
Substandard Conditions	160	184	221	225	205	28%
Zone Enforcement	221	168	178	147	215	-3%
<b>TOTALS:</b>	<b>1,088</b>	<b>1,376</b>	<b>1,364</b>	<b>1,287</b>	<b>1,592</b>	<b>46%</b>

*Source: 1999 City of Long Beach, Department of Planning & Building, Development Services*

When building code violations within the Project Area are compared with the City as a whole, there is significant evidence that building code violations occur more frequently in the Project Area than in the City. For instance, in 1999 the City had a total of 3,751 building code violations of which the Project Area represented 42 percent of those reported violations. Specifically, 44 percent of the citywide property maintenance violations; 54 percent of the citywide substantial building violations; and 48 percent of the substandard condition violations occur within the Project Area, which represents a significant rate when compared proportionately to the Project Area's population and size as a part of the City. For example, the City encompasses approximately 32,000 acres, which amounts to .12 building code violations per acre. The Project Area encompasses 2,618 acres, which amounts to approximately .61 building code violations per acre. Furthermore, the City contains approximately 105,000 parcels, which amounts to 28.0 parcels per code violation. In comparison, the Project Area contains approximately 8,745 parcels, which amounts to 5.5 parcels per code violation. Thus, building code violations occur at a higher rate within the Project Area than the City as a whole.

It should be noted that many of the sites where code violations were noted were situations in which the code violations were an extreme health and safety issue. In more than one circumstance, buildings were altered to a point that the structural integrity of the building is lost thereby, creating an unsafe living environment. Other examples of code violations include excessive trash and debris, illegal additions, and illegal commercial businesses including auto repair and sales on residential property.

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### c. Structural Deterioration and Dilapidation

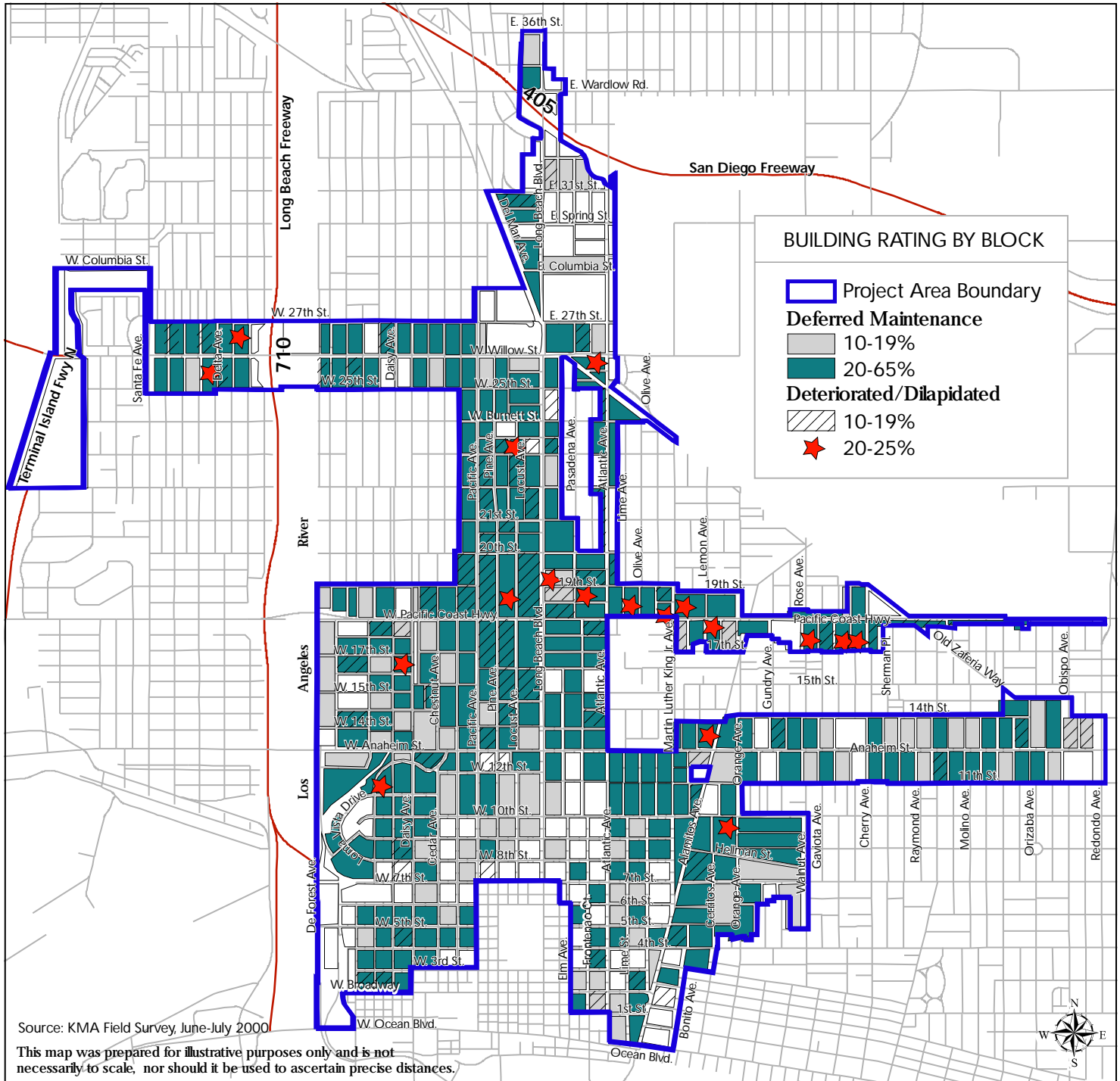
As previously stated, the field survey consisted of evaluating the exterior of the buildings from the street or public right-of-way on a block-by-block basis. Each structure was surveyed to determine the number of buildings showing signs of deferred maintenance, buildings in need of moderate maintenance (structural deterioration), and buildings in need of extensive maintenance (structural dilapidation). The buildings identified as needing minor repairs or exhibited deferred maintenance, needed improvements such as paint; replacement of a few broken windows, and repair of doors and doorframes; buildings identified as major repair or structural deterioration needed maintenance involving such improvements as a new roof, exterior siding or stucco repair/or replacement, minor foundation repairs, etc.; and buildings identified as needing extensive rehabilitation were in need of major structural repair such as reconstruction of exterior walls and major foundation repair.

Based upon the field survey, 91 of 464 blocks (20%) within the Project Area contain a moderate or substantial number of deteriorated or dilapidated structures. Most of the deteriorated or dilapidated structures are located primarily in the central portion of the Project Area along commercial corridors including Long Beach Boulevard, Pacific Coast Highway and Atlantic Avenue. Deteriorated and dilapidated structures are also present in residential neighborhoods located along Willow Street, Burnett Street, Pine Avenue, Locust Street, 19<sup>th</sup> and 20<sup>th</sup> Streets. Examples of typical deteriorated or dilapidated structures are shown in Plates 7 through 16 in Appendix C. Furthermore, a significant amount of the buildings within the Project Area exhibit deferred maintenance which when combined with other blighting conditions results in an overall blighted condition of that area. Based upon the field survey, 361 of 464 blocks (78%) within the Project Area contain structures that exhibit deferred maintenance. Figure 9 shows the blocks that contain between 10 and 60 percent of the structures that are either deteriorated or dilapidated or exhibit deferred maintenance.

The condition of the building stock is a direct indicator of neighborhood deterioration and a reflection of the underlying market conditions, which contribute to the process of deterioration. As discussed later in this Report, the average sales price for single-family dwelling units in the Project Area is 27 percent lower than citywide. Furthermore, the assessed values within the Project Area have decreased by an overall 3 percent since 1994. During the same time period, the assessed values for the City as a whole have increased by more than 6 percent. The Project Area is characterized by the existence of buildings and structures that are in varying states of deterioration, are obsolete, and in certain cases, are unfit or unsafe to occupy due to the factors described below and illustrated in part by the photographs appearing on Plates 7, 8, 9, 10, 11 and 15 in Appendix C. The presence and persistence of these conditions reflects a lack of interest, unwillingness or inability of property owners to maintain or improve their properties.

FIGURE 9

# STRUCTURAL CONDITIONS



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Without intervention, the process of deterioration is self-perpetuating. The presence of properties exhibiting signs of deterioration deters owners of neighboring properties from improving or maintaining their properties. This may be the case if owners feel that any benefits, which may accrue to their properties from routine maintenance, will be diminished or lost because of the poor conditions of surrounding properties. Thus, when deteriorating conditions are prevalent throughout an area, it is difficult for a properly maintained property to attract a buyer because the overall condition of the area sends a message to potential investors of property owner indifference. Property owners thus run the risk of property value loss when deteriorating conditions are permitted to persist.

## *2. Factors that Prevent or Substantially Hinder the Economic Viable Use or Capacity of Buildings or Lots*

### *a. Age and Obsolescence/Substandard Design*

The term “substandard design” refers to building or property conditions that are less than standard in modern real estate markets because of a series of design features considered ill-functional for the type of use for which they serve. These conditions prevent or substantially hinder the economically viable use of parcels and contributes to obsolescence in facilities. In turn, these conditions discourage investment by property owners to modernize and improve their property. As previously stated, the City has issued approximately 1,232 building code violations from 1995 – 1999 regarding substandard design which represents approximately 18 percent of the total violations issued in the Project Area. In 1999, 54 percent of this type of violation within the City as a whole occurred in the Project Area.

Frequently without expansion and modernization a consequence of age is obsolescence. The age of buildings within an area can indicate, in part, the level of reinvestment within the area. For example, an area in demand will often have a large proportion of newer buildings as reinvestment and intensification take place.

Table 5 presents data on the age of buildings in the Project Area for which construction date information is available. The Project Area building stock contains a large proportion of buildings, 51 percent, built prior to 1950. The peak period of building in the Project Area appears to have been from 1920-29 when 23 percent of all structures were built. Records indicate that another 1,578 buildings, or approximately 15 percent were built prior to this time. About 29 percent of the buildings were built between 1940 and 1969 and 27 percent were built since 1970. This data is consistent with the findings of the field survey, which indicate that 186 of 464 blocks or 40 percent of the blocks contained a significant number (+10%) that were obsolete. Furthermore, age and obsolescence have an impact on median sales prices, which are consistently below that for the City as



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a whole. Median sales price for homes in the Project Area ranges between roughly 22 to 28 percent below the median for the City as a whole. Most of the homes sold in the Project Area were constructed before 1950. The average construction year ranges from 1925 to 1931, which suggests that the housing in the Project Area is among the oldest in the City. This price differential is consistent with the fact that much of the housing in the Project Area represents older, obsolete and more deteriorated housing in the City.

Older commercial and industrial facilities may have their usefulness or economic viability diminished as competing newer more efficiently designed, buildings or developments are constructed. Obsolete buildings quickly lose their appeal as market conditions and consumer preferences change, or as factors important to the function for which the buildings were designed change. Such buildings become, in effect obsolete in terms of their original function or purposes. Figure 10 shows the location of blocks within the Project Area containing between 10 and 35 percent of the structures that are considered obsolete. Most of the structures exhibiting obsolescence consist of commercial and industrial buildings located along or near Long Beach Boulevard, Pacific Coast Highway, Pacific Avenue, Anaheim Street, Atlantic Avenue and Daisy Avenue. In total, 88 percent of all incidences of obsolescence were identified along commercial corridors and in industrial areas.

**TABLE 5 - Number of Buildings Built Per Decade Within the Project Area**

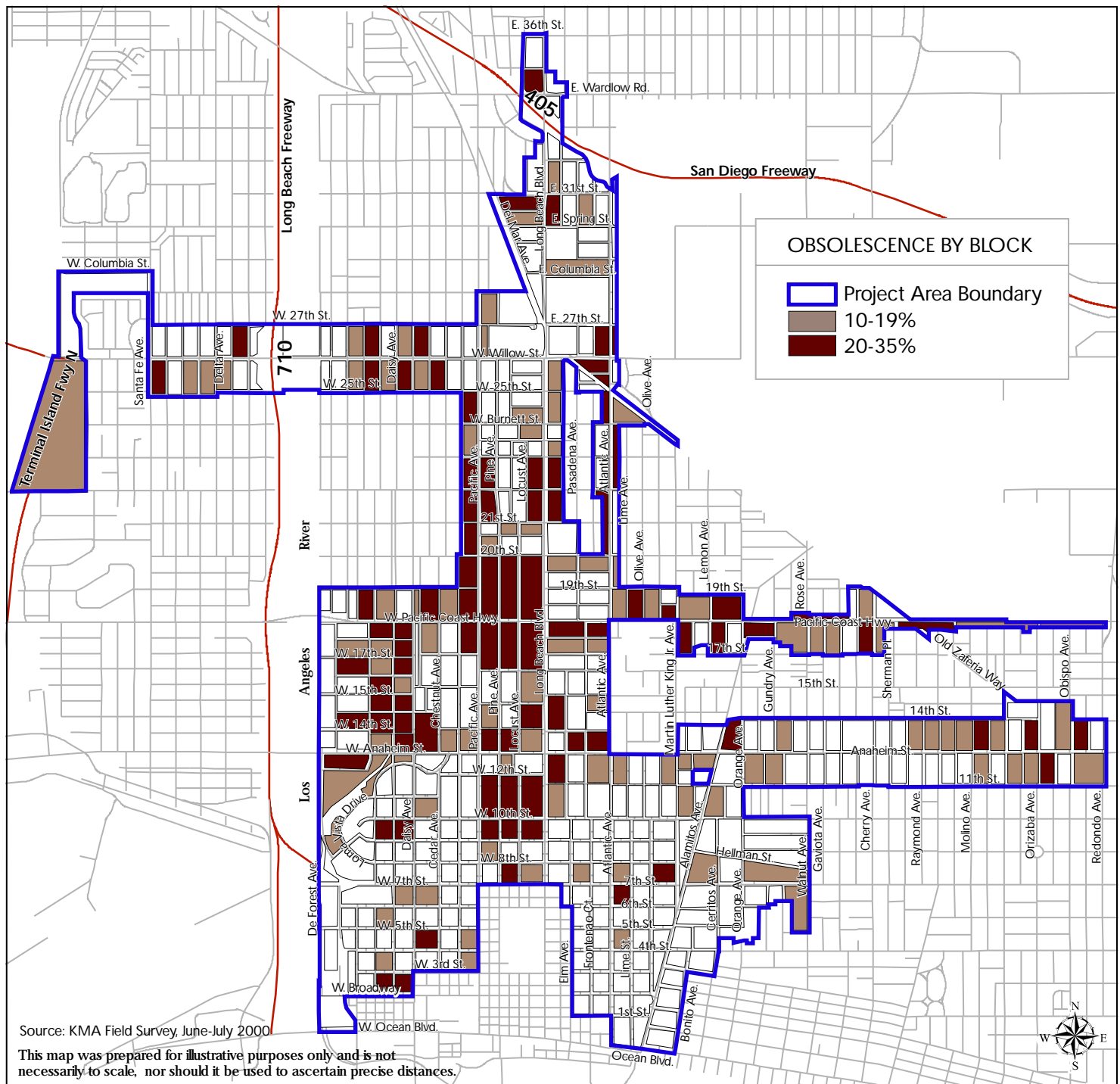
<u>Year Built</u>	<u>No of Bldgs</u>	<u>Percent of Total Bldgs</u>
1901-1909	486	4.5%
1910-1919	1,092	10.0%
1920-1929	2,518	23.1%
1930-1939	626	5.8%
1940-1949	843	7.8%
1950-1959	1,261	11.6%
1960-1969	1,065	9.8%
1970-1979	591	5.4%
1980-1989	1,523	14.0%
1990-2000	872	8.0%
	<u>10,877</u>	<u>100.0%</u>

\* Does not include parcels either without any structures or for which no structural age is available.

The most prominent example of age and obsolescence is along Long Beach Boulevard, where automobile dealerships once thrived and have now become obsolete. The modern concept of automobile centers or malls, where several car dealers are grouped together within a relatively compact and architecturally uniform environment, has nearly

FIGURE 10

## OBSOLETE STRUCTURES



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revolutionized the way that cars are marketed. Consumers prefer these modern auto malls because they are easy to get to (adjacent to major highways or freeways, usually with freeway-visibility); they are easy to get around in (often by walking); they permit a comparison of choices with minimal driving; and they are generally more attractive and pleasant places than stand-alone dealerships. A concentration of dealers in an auto center allows advertising costs to be pooled, and theft and vandalism to be deterred.

Long Beach Boulevard, in contrast, possesses few if any of the characteristics common to auto malls. The former automobile dealerships sites are now occupied by used car dealerships, other automobile related businesses, and other types of businesses or stand vacant. Plates 17 and 18 provide examples of structures, which were once occupied by automobile dealerships, but because of changing standards, are no longer used for such purposes and are now obsolete. Over 20 car dealerships have since moved from Long Beach Boulevard to other locations since 1985.

Other portions of the Project Area exhibit characteristics of age and obsolescence as well. Pacific Avenue is an outdated commercial strip. Like many older retail streets, commercial outlets are constructed at or near all property lines. Because the structure covers most if not all of the property, off-street parking is prohibited. Approximately 23 of the 42 blocks, or 55 percent, along Pacific Avenue contain between 10 and 35 percent of structures that are considered obsolete. Atlantic Avenue, Anaheim Street and Pacific Coast Highway, among other commercial areas in the Project Area, are also outdated commercial strips with no off-street parking and outdated commercial outlet design. Approximately 42 percent of the blocks along Atlantic Avenue, 49 percent of the blocks along Anaheim Street, and 66 percent of the blocks along Pacific Coast Highway contain between 10 and 35 percent of buildings that are considered obsolete. Based upon industry standards for commercial developments, a typical neighborhood strip mall (no anchor tenants) would require 30,000 square feet of building space and a parcel of at least 1.9 acres in size, while a family type restaurant would require an 8,000 square feet building and 0.75 acre parcel. Clearly, a significant portion of the commercial parcels located along these thoroughfares do not meet industry standards. Plates 19 and 20 in Appendix C are examples of obsolete commercial design. Because these outlets do not have the coordinated design, efficient parking, and ease of access that more modern facilities have they are obsolete in comparison.

The industrial properties along Daisy Avenue, W. 17<sup>th</sup> Street, W. 15<sup>th</sup> Street and W. 14<sup>th</sup> Street are also indicative of age and obsolescence. Approximately 68 percent of the blocks are moderately or substantially impacted by structures that are obsolete. Other older industrial buildings located south of Pacific Coast Highway along San Francisco and Oregon Avenue and north of Anaheim Avenue along Orizaba Avenue, were typically constructed with materials and of designs, which are now inferior given modern

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standards, especially with respect to provision for adequate light and ventilation. Most of the properties located in these industrial areas contain corrugated metal structures, inadequate outdoor storage, lack of sufficient parking and poor site maintenance. Plates 21 and 22 are examples of an obsolete industrial design.

In the residential neighborhoods, obsolescence and substandard design is most notable in buildings of inadequate size. For example, new single-family homes typically have at a minimum a two-car garage, two bathrooms and three bedrooms. In contrast much of the housing stock in the Project Area which was built prior to World War II has one bathroom, two bedrooms and a one car garage if any garage at all.

The average square footage for a single-family home in the Project Area is only 1,214. The average square footage of a house built in the Project Area in the 1990s is 1,798 square feet, and 1,700 for homes built in the 1970s. As shown in Table 6, approximately 2,072 single-family units or 87 percent are less than 1,700 square feet in size and do not meet present market standard of the typical single-family residential unit with the three bedrooms, two bathrooms and a garage. Furthermore, as shown in Table 6, approximately 26 percent of single-family units in the Project Area are less than 900 square feet and are considered severely inadequate in size. Plates 23 and 24 in Appendix C show examples of inadequately sized residential structures. As discussed later in Part C of this section, the size of the residential dwelling units have a direct impact on overcrowding. Since there is less livable space within a unit and coupled with an area that has lower median incomes, individuals will more likely be affected by overcrowding conditions. This is evidenced by the high average household size of 3.14 compared to the City's average household size of 2.68.

**TABLE 6 – Size of Single-Family Dwelling Units within the Project Area**

<b>Single-Family</b>		
<u>Sq. Ft.</u>	<u>No</u>	<u>% of Total <sup>1</sup></u>
<750	328	13.7%
<900	616	25.8%
<1100	1112	46.5%
<1300	1550	64.9%
<1500	1871	78.3%
<1700	2072	86.7%
<1900	2182	91.3%

<sup>1</sup> Total single-family buildings assumes one residential house per 2,390 parcels in project area.

Source: Metroscan FY 1999-00

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### 3. *Incompatible Uses*

Incompatible land uses that prevent economic development occur when the use or activity on a parcel of land negatively affects the economic use and/or development of adjacent and surrounding properties. For example, commercial businesses that wish to expand, but are constrained by surrounding residential properties may not be able to grow or may choose to relocate to other sites. Conversely, residential uses adjoining commercial uses are often impacted by traffic, noise and reduced privacy, which affects property value and viability of the property for residential use. The latter occurs at several locations in the Project Area.

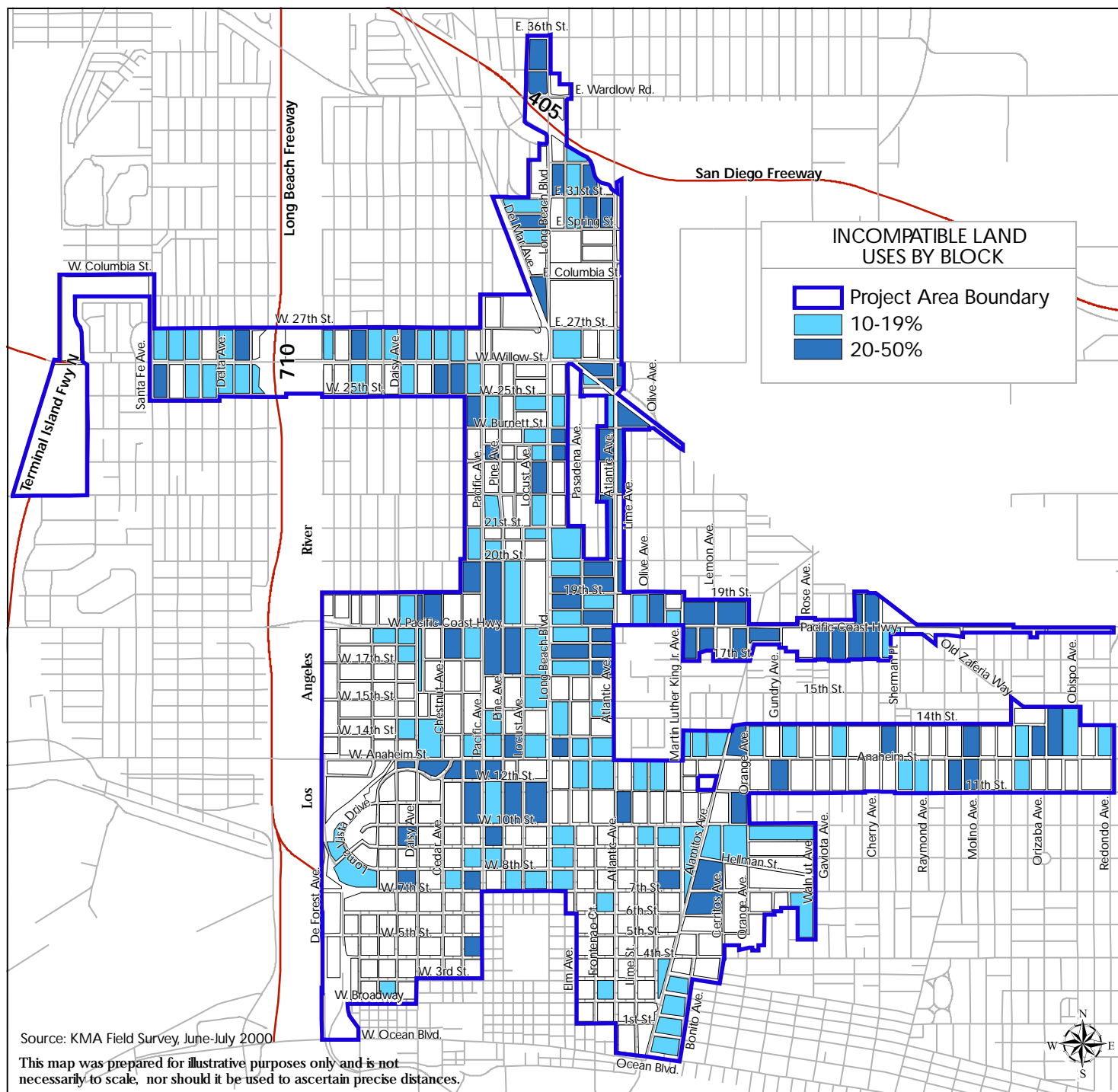
Based upon the field survey, 191 of 464 blocks (41%) within the Project Area contain incidents of incompatible adjacent or nearby uses involving residential, commercial and industrial uses. Figure 11 shows the blocks within the Project Area containing between 10 and 50 percent of incompatible land uses. Most of the incompatible land use incidences are located along major commercial thoroughfares such as Long Beach Boulevard, Atlantic Avenue, Pacific Coast Highway, Pacific Avenue and Anaheim Street; within the industrial areas along Daisy Avenue and Orizaba Avenue; and in residential areas north of E. 31<sup>st</sup> Street where oil drilling is present. The nature of the incompatibilities is commonly due to residential lots being adjacent to commercial or industrial uses. Industrial uses on Orizaba Avenue (including warehouses, lumber supply, maintenance and salvage yards) are adjacent to, and directly across from, single-family residential developments. Long Beach Boulevard, Atlantic Avenue, Anaheim Avenue, Alamitos Avenue, and Pacific Coast Highway also contain a number of commercial businesses that are adjacent to residential properties.

The close proximity of certain commercial and industrial facilities to residential uses is likely to create unhealthy conditions such as excessive noise and fumes. Negative visual impacts and other adverse environmental factors associated with mixed character tend to reduce property values and are a disincentive to property maintenance and investment. Plate 15 illustrates an example of incompatible uses, most commonly where residential uses are located next to more intensive uses such as high activity types of commercial uses.

Numerous examples of residential and industrial land use conflicts also exist in the northern end of the Project Area, north of Spring Street E. 31<sup>st</sup> Street and east of Long Beach Boulevard where there is a prevalence of oil drilling. Oil drilling activity near residential areas results in adverse visual, noise, and dust impacts. As shown in Figure 11, within this portion of the Project Area, 77 percent of the blocks are moderately or substantially impacted by oil drilling activity. Plates 32 and 36 show examples of residential use conflicts with oil drilling activity. Several examples of mixed character

FIGURE 11

# INCOMPATIBLE LAND USES



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residential use conflicts with intensive commercial uses, or general industrial uses, exist throughout the Project Area. Examples of this type of situation are shown on Plates 30, 31 and 35. Another example of mixed character is the prevalence of residential uses adjacent to liquor stores or bars. Within the Project Area, there are a total of 24 liquor stores or bars, which are prominent along Anaheim Street, Pacific Coast Highway and Willow Street. Finally, a significant amount of the businesses located along the commercial corridors are related to auto repair and maintenance, which create severe impacts upon the adjacent residential land uses. Examples of automotive shops next to residences are shown on Plates 29, 33 and 34.

#### *4. Lots of Irregular Shape and Inadequate Size*

Appropriate parcel size and dimension is necessary if land is to be effectively utilized. In order for property to be attractive to investors, parcels must be large enough to build a structure that not only meets building code standards but also accommodates current industry standards. This also applies well to parcels of relatively large size because of their triangular or otherwise odd shape that cannot accommodate the desired structure and parking needs.

Economic dislocation, deterioration, or disuse results from the prevalence of irregularly formed or shaped lots and the inadequacy of such lots for proper usefulness and development. This situation is commonly the result of historical subdivision and development patterns as well as shifting economic trends in the commercial sectors (i.e., growth or shifts in the industrial base and/or shifts in the demand for goods and services).

Adequate parcel size and dimension are necessary if land is to be effectively developed and used. Certain minimum lot sizes are required not only for code compliance but also to make development and redevelopment attractive to investors. Parcels must be large enough to accommodate the building, setback area, parking, and circulation requirements of development. Plate 37 shows an example of how development is limited because of shallow or narrow lot sizes.

In accordance with City Zoning Codes, the standard lot size for a single-family home in the City of Long Beach is 6,000 square feet. Throughout the Project Area there are 3,643 parcels within an area less than 6,000 square feet. Of these parcels, approximately 81 percent are residential uses, 12 percent are commercial uses, and less than 1 percent consist of industrial uses. Given the setback requirements the building lot space remaining is approximately half the lot size or less. This does not allow space to develop housing to accommodate average household size and is certainly not large enough to accommodate commercial and industrial uses. These parcels comprise

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approximately 339 acres or nearly 13 percent of the Project Area. As shown previously, Figure 5 illustrates the location of the lots that are considered of irregular shape and of inadequate size. The parcels that are of irregular shape and inadequate size are located throughout the Project Area with no particular area predominately.

Furthermore, along the major commercial corridors there is a high percentage of parcels that do not meet existing standards for commercial development. In accordance with City Zoning Codes, a typical commercial development along a commercial corridor would require at least a 10,000 square foot parcel. Along Long Beach Boulevard, 206 of 355 parcels or 58 percent are less than 10,000 square feet in size. Similarly, 84 percent (351 of 414 parcels) of the parcels along Atlantic Avenue, 70 percent (174 of 250 parcels) of the parcels along Pacific Coast Highway, and 75 percent (268 of 357 parcels) of the parcels along Anaheim Street are less than 10,000 square feet in size. As a whole, 73 percent of the parcels along these four major commercial thoroughfares are less than 10,000 square feet in size.

Small parcels, or parcels with limited building area, not only result in the blighting conditions described above, they are a constraint to development and redevelopment. Development requires certain lot conditions, such as adequate setbacks, parking, circulation space, and pedestrian access. Parcels not able to meet these conditions may cause potential investors to acquire adjacent properties or to forego rehabilitation or development of the property in lieu of an alternative site of adequate size and dimensions.

## **C. ECONOMIC CONDITIONS THAT CAUSE BLIGHT**

### *1. Depreciated or Stagnant Property Values or Impaired Investments*

#### *a. Property Values*

Depreciated or stagnant property values are a reflection of the negative conditions previously described which over time has in turn affected the physical and economic viability of the Project Area. Since the Project Area was originally adopted in 1993, assessed property values have fallen below the base year value. Redevelopment is primarily funded from the increase in assessed value over the base at the time of adoption. The total assessed valuation for the Project Area in 1994-95 was \$1,948,126,916 and in 2000-01 is \$1,893,758,404. As shown in Table 7, the assessed valuation in the Project Area for the past six years has decreased by approximately 3 percent or on the average -0.40 percent annually. For this reason, the Agency has been unable to collect tax increment to implement necessary projects and program to alleviate



Table 7

## Historic Assessed Values

## Central Long Beach Redevelopment Project Area

	1994-95	1995-96	% Chg	1996-97	% Chg	1997-98	% Chg	1998-99	% Chg	1999-2000	% Chg	2000-01	% Chg	Avg % Chg
I. Secured:														
Land	896,265,397	856,398,617	-4.45%	807,636,430	-5.69%	779,400,329	-3.50%	766,519,326	-1.65%	780,819,252	1.87%	816,880,386	4.62%	-1.47%
Improvements	1,278,523,847	1,234,889,737	-3.41%	1,183,449,817	-4.17%	1,165,688,756	-1.50%	1,163,261,742	-0.21%	1,250,094,109	7.46%	1,259,500,689	0.75%	-0.18%
Personal Property	63,804,373	66,882,698	4.82%	63,843,209	-4.54%	64,875,023	1.62%	65,052,512	0.27%	92,005,116	41.43%	82,555,838	-10.27%	5.56%
Exemptions	292,015,770	325,353,448	11.42%	343,135,977	5.47%	326,261,904	-4.92%	353,346,177	8.30%	432,259,220	22.33%	388,869,464	-10.04%	5.43%
Total Secured	1,946,577,847	1,832,817,604	-5.84%	1,711,793,479	-6.60%	1,683,702,204	-1.64%	1,641,487,403	-2.51%	1,690,659,257	3.00%	1,770,067,449	4.70%	-1.48%
II. Utilities:														
Land	1,460,957	1,463,440	0.17%	1,809,561	23.65%	1,841,633	1.77%	1,866,797	1.37%	1,823,501	-2.32%	1,816,444	-0.39%	4.04%
Improvements	56,034	57,899	3.33%	59,567	2.88%	88,720	48.94%	107,612	21.29%	75,107	-30.21%	69,809	-7.05%	6.53%
Personal Property	32,078	33,145	3.33%	34,099	2.88%	47,927	40.55%	58,742	22.57%	40,134	-31.68%	37,101	-7.56%	5.01%
Exemptions	0	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0.00%
Total Utilities	1,549,069	1,554,484	0.35%	1,903,227	22.43%	1,978,280	3.94%	2,033,151	2.77%	1,938,742	-4.64%	1,923,354	-0.79%	4.01%
III. Unsecured:														
Land	0	3,176,879	0.00%	0	-100.00%	3,183,565	0.00%	3,247,236	2.00%	0	-100.00%	3,373,555	0.00%	-33.00%
Improvements	0	49,298,488	0.00%	32,659,394	-33.75%	28,230,586	-13.56%	49,458,116	75.19%	52,399,941	5.95%	54,549,693	4.10%	6.32%
Personal Property	0	58,691,757	0.00%	59,262,280	0.97%	55,626,047	-6.14%	65,050,745	16.94%	63,656,472	-2.14%	67,653,708	6.28%	2.65%
Exemptions	0	3,724,979	0.00%	688,415	-81.52%	3,854,480	459.91%	3,858,036	0.09%	481,800	-87.51%	3,809,355	690.65%	163.60%
Total Unsecured	0	107,442,145	0.00%	91,233,259	-15.09%	83,185,718	-8.82%	113,898,061	36.92%	115,574,613	1.47%	121,767,601	5.36%	3.31%
IV. Total Value:														
Land	897,726,354	861,038,936	-4.09%	809,445,991	-5.99%	784,425,527	-3.09%	771,633,359	-1.63%	782,642,753	1.43%	822,070,385	5.04%	-1.39%
Improvements	1,278,579,881	1,284,246,124	0.44%	1,216,168,778	-5.30%	1,194,008,062	-1.82%	1,212,827,470	1.58%	1,302,569,157	7.40%	1,314,120,191	0.89%	0.53%
Personal Property	63,836,451	125,607,600	96.76%	123,139,588	-1.96%	120,548,997	-2.10%	130,161,999	7.97%	155,701,722	19.62%	150,246,647	-3.50%	19.46%
Exemptions	292,015,770	329,078,427	12.69%	343,824,392	4.48%	330,116,384	-3.99%	357,204,213	8.21%	432,741,020	21.15%	392,678,819	-9.26%	5.55%
Total Value	1,948,126,916	1,941,814,233	-0.32%	1,804,929,965	-7.05%	1,768,866,202	-2.00%	1,757,418,615	-0.65%	1,808,172,612	2.89%	1,893,758,404	4.73%	-0.40%

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existing blighting conditions. As shown in Table 8, during this time period, the City as a whole had a total assessed valuation of \$21,581,516,267 in 1994-95 and \$22,963,171,489 in 2000-2001 for an overall modest growth rate of 6 percent or on the average 1.10 percent annually.

In 1994-95, the Project Area represented approximately 9 percent of the assessed valuation in the City. In 2000-01, the Project Area represented 8 percent of the total assessed valuation of the City. In comparison, the Project Area represents 34 percent of the total population of the City. Based upon the current population of the Project Area of 153,148, the assessed value per capita within the Project Area is \$12,366. Based upon the current population of the City (450,603), the assessed value per capita for the City is approximately \$50,961. In comparison with the City as a whole, the Project Area is 75 percent lower in assessed value per capita than the City. This indicates that the Project Area's total assessed valuation per capita is disproportionate with the City, as a result of various factors outlined in this Report including lower resale of single-family houses, deteriorating structures and properties, and a higher crime rate.

One of the primary reasons for the decrease in assessed valuation within the Project Area is directly related to the decrease in secured assessment values within the Project Area, which is a result of the amount of assessment appeals that occurred between 1994-95 and 2000-01. Based upon the data in Table 8, secured assessed values represented, between 93-99 percent of the total assessed valuation during a given year. Secured assessed values include the value of the land and improvements. Unsecured values include improvements such as machinery that can easily be removed from a property. So even though the unsecured and utility assessed values (Railroads) have shown significant growth, 3.31 and 4.01 percent annual increase respectively, the overall assessed valuation for the Project Area has decreased due primarily to the overall 9 percent decrease (average of -1.48% annually) in secured assessed values from 1994-95 to 2000-01 (see Table 8).

Except for the 1999-00 assessed valuation, the Project Area since 1994-95 has experienced either negative assessed valuation growth or assessed valuation growth significantly below the City as a whole. Changes in assessed values not only indicate the direction and stability of the economy within a particular area, but also provide implications for City revenue generation. The lower the assessed values, the lower the amounts of property tax revenues to be distributed to the City and other governmental taxing agencies. Meanwhile, City services and programs for the area will continue to be required. Since the Project Area's population has increased at twice the rate of the City as a whole, this additional influx of population will require an increase in public services compared to other portions of the City. Furthermore, as discussed later in this Report, violent crime activity within the Project Area occurs at a rate significantly higher than the

**Table 8**  
**Historic Assessed Values**  
**City of Long Beach - Including Project Area**

	1994-95	1995-96	% Chg	1996-97	% Chg	1997-98	% Chg	1998-99	% Chg	1999-2000	% Chg	2000-01	% Chg	Avg % Chg
I. Secured:														
Land	9,342,352,940	9,485,486,068	1.53%	9,507,574,359	0.23%	9,528,021,948	0.22%	9,498,039,197	-0.31%	9,519,422,535	0.23%	10,448,308,439	9.76%	1.94%
Improvements	10,850,740,697	10,464,519,210	-3.56%	10,034,552,114	-4.11%	9,910,369,813	-1.24%	9,907,648,075	-0.03%	10,289,466,970	3.85%	11,203,009,518	8.88%	0.63%
Personal Property	514,944,625	475,331,768	-7.69%	426,851,640	-10.20%	432,821,701	1.40%	445,813,802	3.00%	382,585,930	-14.18%	357,885,807	-6.46%	-5.69%
Exemptions	634,711,651	659,280,606	3.87%	717,538,577	8.84%	711,995,477	-0.77%	711,287,327	-0.10%	685,926,959	-3.57%	717,697,312	4.63%	2.15%
Total Secured	20,073,326,611	19,766,056,440	-1.53%	19,251,439,536	-2.60%	19,159,217,985	-0.48%	19,140,213,747	-0.10%	19,505,548,476	1.91%	21,291,506,452	9.16%	1.06%
II. Utilities:														
Land	9,101,059	9,183,069	0.90%	13,321,108	45.06%	13,121,777	-1.50%	12,432,661	-5.25%	11,574,477	-6.90%	11,638,173	0.55%	5.48%
Improvements	2,020,214	2,435,607	20.56%	5,122,147	110.30%	12,626,167	146.50%	13,019,135	3.11%	14,800,949	13.69%	14,657,534	-0.97%	48.87%
Personal Property	911,399	1,028,316	12.83%	1,150,202	11.85%	1,620,862	40.92%	1,987,473	22.62%	1,572,965	-20.86%	1,455,147	-7.49%	9.98%
Exemptions	0	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0.00%
Total Utilities	12,032,672	12,646,992	5.11%	19,593,457	54.93%	27,368,806	39.68%	27,439,269	0.26%	27,948,391	1.86%	27,750,854	-0.71%	16.85%
III. Unsecured:														
Land	0	3,176,879	0.00%	0	-100.00%	3,183,565	0.00%	3,247,236	2.00%	0	-100.00%	3,373,555	0.00%	-33.00%
Improvements	475,034,083	504,531,257	6.21%	487,708,438	-3.33%	453,693,533	-6.97%	501,599,871	10.56%	549,045,681	9.46%	611,095,835	11.30%	4.54%
Personal Property	1,025,269,035	931,897,770	-9.11%	951,677,386	2.12%	1,047,582,375	10.08%	1,131,817,896	8.04%	1,064,130,348	-5.98%	1,036,947,087	-2.55%	0.43%
Exemptions	4,146,134	4,328,539	4.40%	3,189,929	-26.30%	8,667,278	171.71%	6,737,905	-22.26%	2,937,123	-56.41%	7,502,294	155.43%	37.76%
Total Unsecured	1,496,156,984	1,435,277,367	-4.07%	1,436,195,895	0.06%	1,495,792,195	4.15%	1,629,927,098	8.97%	1,610,238,906	-1.21%	1,643,914,183	2.09%	1.67%
IV. Total Value:														
Land	9,351,453,999	9,497,846,016	1.57%	9,520,895,467	0.24%	9,544,327,290	0.25%	9,513,719,094	-0.32%	9,530,997,012	0.18%	10,463,320,167	9.78%	1.95%
Improvements	11,327,794,994	10,971,486,074	-3.15%	10,527,382,699	-4.05%	10,376,689,513	-1.43%	10,422,267,081	0.44%	10,853,313,600	4.14%	11,828,762,887	8.99%	0.82%
Personal Property	1,541,125,059	1,408,257,854	-8.62%	1,379,679,228	-2.03%	1,482,024,938	7.42%	1,579,619,171	6.59%	1,448,289,243	-8.31%	1,396,288,041	-3.59%	-1.43%
Exemptions	638,857,785	663,609,145	3.87%	720,728,506	8.61%	720,662,755	-0.01%	718,025,232	-0.37%	688,864,082	-4.06%	725,199,606	5.27%	2.22%
Total Value	21,581,516,267	21,213,980,799	-1.70%	20,707,228,888	-2.39%	20,682,378,986	-0.12%	20,797,580,114	0.56%	21,143,735,773	1.66%	22,963,171,489	8.61%	1.10%

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City. Therefore, the demand for law enforcement protection within the Project Area is higher than other parts of the City. If this trend continues, over time, the area becomes a drain on City resources. This depressed growth rate in total assessed valuation within the Project Area indicates a growing occurrence of properties depreciating in property values, which is considered a significant blighting influence. The following sections also describe the low single-family property sale prices, poor site conditions, and commercial vacancies and low lease rates within the Project Area, which, along with the previously described physical blighting conditions, are contributors to and also have a negative impact on property values.

#### b. Single-Family Property Sale Prices

Data available from Metroscan for single-family homes sold in the Project Area was compiled for the period 1992 through April of 2000. Median sales prices for these homes were calculated and compared to median sales prices for single-family homes in the City as a whole.

In general, single-family homes sales prices declined in Long Beach from 1992 through 1995 and have continued to recover toward the 1992 level through 1999. The median sales price of \$175,229 is just 2 percent (2%) below the 1992 median of \$178,737.

Similarly, median home sales prices in the Project Area declined from 1992 through 1995, but continued to decline through 1997. Sales prices have rebounded somewhat, but at the end of 1999, the median sales price in the Project Area was 6 percent (6%) below the median in 1992. This suggests that the price recovery of homes in the Project Area is lagging that for the City as a whole.

In addition, median sales prices are consistently below that for the City as a whole. As shown in Table 9, the median sales price for homes in the Project Area ranges between roughly 22 to 28 percent below the median for the City as a whole. A review of the age of the homes sold in the Project Area indicates that most of these homes were constructed before 1950. The average construction year ranges from 1925 to 1931, and as previously discussed, suggests that the housing in the Project Area is among the oldest in the City. This price differential is consistent with the fact that much of the housing in the Project Area represents the older and more deteriorated housing in the City.

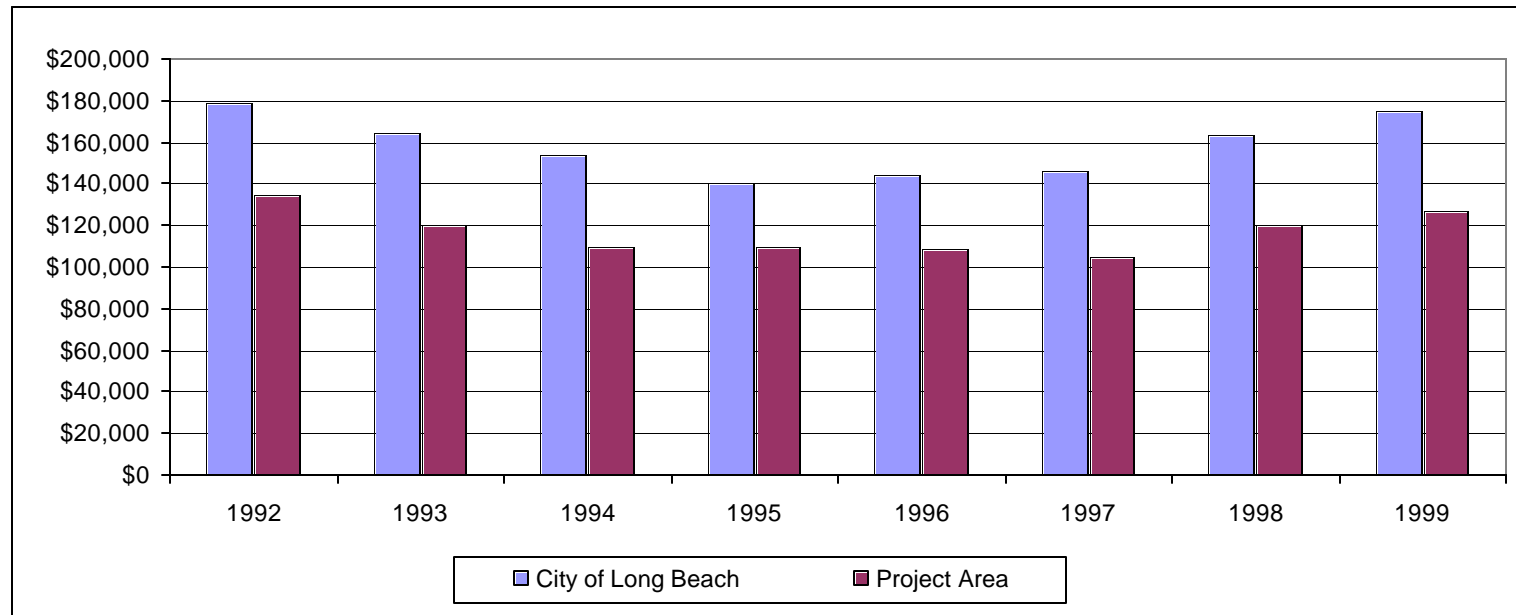
**TABLE 9**  
**ANALYSIS OF SINGLE FAMILY HOME SALES DATA**  
**CENTRAL LONG BEACH REDEVELOPMENT PROJECT**  
**LONG BEACH REDEVELOPMENT AGENCY**

**Median Sales Price - Project Area**

	<u>1992</u>	<u>1993</u>	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000*</u>
Median Sales Price	\$135,000	\$120,000	\$110,000	\$109,500	\$109,000	\$105,000	\$120,000	\$126,500	\$120,000
Average Sale Price	\$140,365	\$118,662	\$110,787	\$110,497	\$114,609	\$104,204	\$121,445	\$127,065	\$118,811
No. of Transactions	31	50	84	76	93	93	125	150	37

**Comparison of Median Sales Prices**

	<u>1992</u>	<u>1993</u>	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>
City of Long Beach	\$178,737	\$163,958	\$153,833	\$140,521	\$144,125	\$145,708	\$163,812	\$175,229
Project Area	\$135,000	\$120,000	\$110,000	\$109,500	\$109,000	\$105,000	\$120,000	\$126,500
Project Area Percent Below Long Beach	24.5%	26.8%	28.5%	22.1%	24.4%	27.9%	26.7%	27.8%



\* Data through April 3, 2000.

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### c. Poor Site Conditions

Conditions such as overall lack of property maintenance, open storage, graffiti and abandoned vehicles contribute to the negative image and poor appearance of neighborhoods and business areas. These conditions also contribute to stagnant property values and in commercial and industrial areas, discourage patronage.

In many instances it will only take one or two poorly maintained properties in an area to create an image of neglect. Of the 464 blocks in the Project Area, 332 or 72 percent had one or more site deficiencies including abandoned vehicles, graffiti, litter/debris and weeds and overgrown vegetation. Figure 12 shows the blocks within the Project Area containing between 10 and 35 percent of the properties with poor site conditions. These conditions were primarily found for all use types including residential, commercial and industrial properties. As shown in Figure 12, the highest concentration of poor site condition are located within the central portion of the Project Area along major thoroughfares including Long Beach Boulevard, Pacific Coast Highway, Anaheim Street and Alamitos Avenue. Most of the residential blocks that are bisected by an alley contained poor site conditions that primarily included graffiti and trash and debris. Plates 25, 26, 27 and 28 in Appendix C are examples of poor site conditions.

Poor site conditions further discourage the private sector from investing in adjacent properties such as new infill development. Developers and property owners will have more difficulty in getting an adequate return on their investment when neighboring properties are poorly maintained. Furthermore, the existence of graffiti within the Project Area is also an indicator of gang and criminal activity.

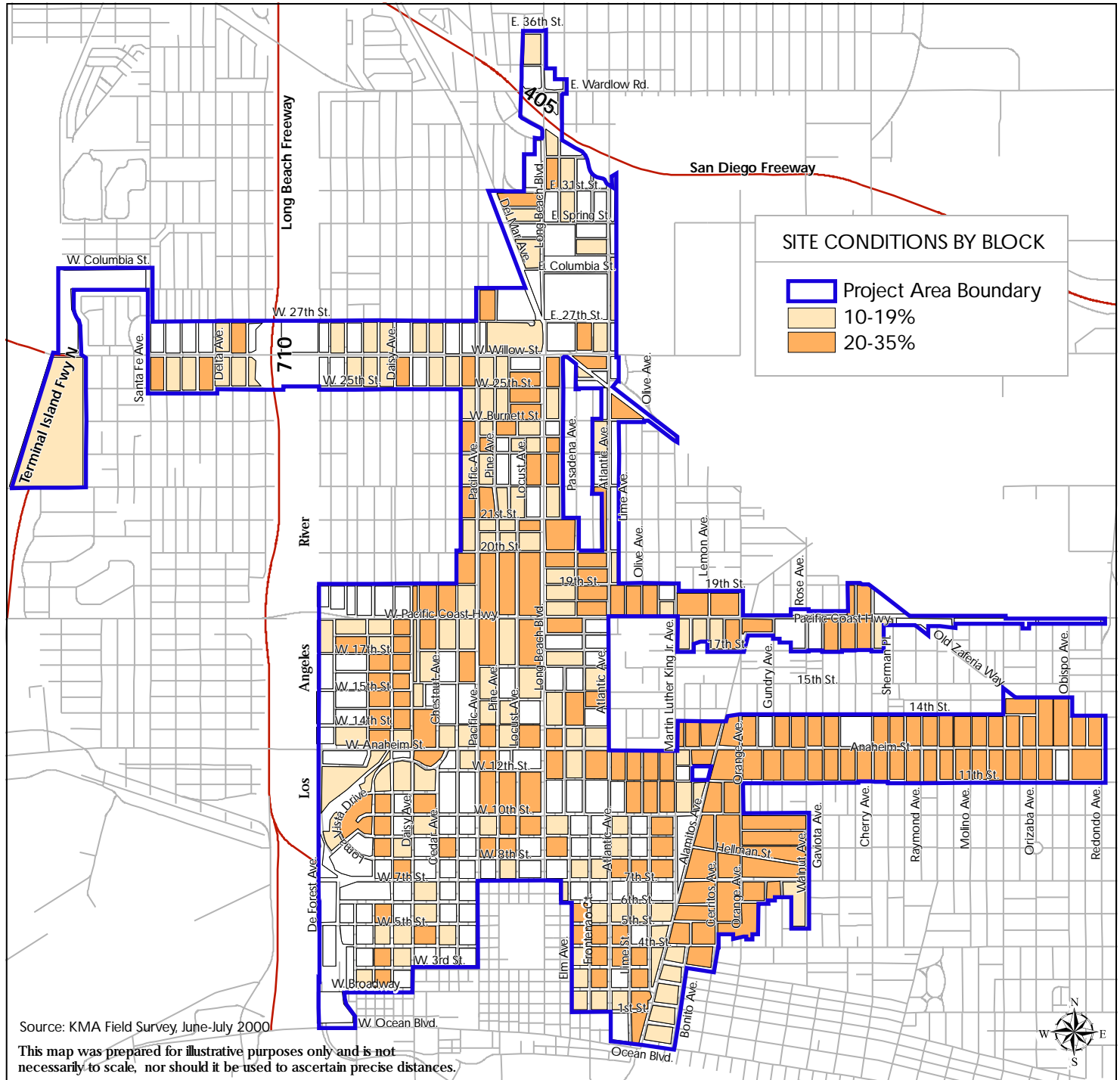
### 2. *Commercial Vacancies/Low Lease Rates*

Areas in decline generally experience a higher than average vacancy rate and lower lease rates. High vacancy rates cause building uses to shift, often times resulting in an in-appropriate mixing of uses. Building owners, after or to avoid long periods of vacancy, will often agree to rent to tenants proposing to use the building and site in ways inconsistent with the building's original design or purpose.

The field survey identified commercial and industrial vacancies within the Project Area. Of the 464 blocks within the Project Area, 119 (26%) blocks contained a commercial or industrial vacancy. The primary location of the commercial and industrial vacancies are along major commercial thoroughfares, which include Long Beach Boulevard, Atlantic Avenue and the Pacific Coast Highway and within the industrial area located along 14<sup>th</sup>, 15<sup>th</sup>, and 17<sup>th</sup> Streets. Some examples of vacant properties are shown on Plates 38

FIGURE 12

# SITE CONDITIONS



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through 44 in Appendix C. Vacant and abandoned buildings and structures are often unsafe and may encourage criminal activity such as vandalism and squatting. They also constitute a fire hazard. Similar to other blight characteristics, the negative visual impact of vacant buildings serves as a strong disincentive to revitalization and reinvestment. Of note is the prevalence of vacant auto sales lots, which cover large sites relative to other commercial development on Long Beach Boulevard, contributing to the substantial presence of blight in this area.

Abnormally low lease rates, relative to other local locations, are often indicative of 1) weak demand for lease space; 2) an excess supply of lease space; or 3) the substandard physical condition of space offered for lease. Lease rates vary according to certain conditions and types of use. Notable conditions that have major implications for lease rates include location, access to market/customers, visibility, amenities, condition of property and age of property.

Commercial/retail lease rates within the Project Area are significantly lower compared to commercial/retail areas in the City as a whole. Project Area lease rates range from a low \$0.75 per square foot between Pacific Coast Highway and Willow Street to a high of \$1.85 per square foot close to downtown near 7<sup>th</sup> Street. According to City staff, in areas outside the Project Area, the commercial/retail lease rates range from \$1.75 to \$2.75 for the downtown area directly adjacent to the Project Area, which is between 49 and 133 percent higher than in the Project Area. Similarly, lease rates for industrial properties are significantly lower than the City as a whole. The lease rates for the industrial portions of the Project Area range from \$0.55 to \$1.00 per square foot, which is typical for industrial areas along the Los Angeles River between Pacific Coast Highway and Anaheim Street. According to City Staff, in areas outside the Project Area, the industrial lease rates are between \$1.00 and \$1.50, which is between 50 and 81 percent higher than the Project Area as a whole.

Business vacancies and low lease rates also affect other economic indicators of economic maladjustment within the Project Area and the City as a whole. These economic indicators include retail sales tax activity which is discussed in the following section.

#### a. Taxable Retail Sales Trends

The amount and growth of taxable retail sales is a major indicator of the economic health of the commercial, particularly retail, sector of an area's economy. Table 10 shows the dollar amount of taxable retail sales for all types of taxable retail sales for the City of Long Beach and the County of Los Angeles. The average growth in sales tax



transactions for the City of Long Beach is small compared to the County, with an average annual increase of less than 1 percent for the City and over 3 percent for the County from 1992 to 1998. This indicates a less prosperous commercial growth within the City compared to the County. Retail sales data for the Project Area is available for the years 1996-1998. The Project Area had a decrease in taxable retail sales from \$519,757,200 in 1996 to \$506,617,300 in 1998. This amounts to an overall decrease of approximately 3 percent. Thus, the stagnant retail sales figures within the Project Area combined with the other physical and economic conditions further indicate impaired investments in the Project Area.

Another indicator of the economic health of the community is taxable retail sales per capita. As shown in Table 10, the City had a taxable retail sales per capita of \$5,320 in 1992 and \$5,579 in 1998 for a 4.9 percent growth rate. In comparison, the County had a taxable retail sales per capita rate of \$8,189 in 1992 and \$9,409 in 1998 for an overall growth rate of 14.9 percent. Based upon these statistics, the City in what was considered a healthy economy from 1994 to 1998, saw very little change in retail sales activity. Furthermore, the City's taxable retail sales per capita rate in 1992 was 65 percent of the County's rate. However, over the next six years, the City's taxable retail sales per capita rate has decreased to approximately 59 percent of the County rate. As previously stated, taxable sales information is available for the Project Area for the years 1996-1998. As shown in Table 10, the Project Area's taxable retail sales per capita has decreased by approximately six percent from 1996 (\$3,584 per capita) to 1998 (\$3,377 per capita). When compared with the City and County as shown in Table 10, the Project Area in 1998 had a taxable retail sales rate per capita that was 40 percent lower than the City and 64 percent lower than the County as a whole.

**TABLE 10**  
**Retail Sales Per Capita**  
**For Project Area, City of Long Beach and County of Los Angeles**

YEAR	PROJECT AREA	CITY OF LONG BEACH	% OF CITY	COUNTY OF LOS ANGELES	PERCENT OF COUNTY TOTAL
1992	N/A	\$5,320	N/A	\$8,189	N/A
1993	N/A	\$4,847	N/A	\$7,928	N/A
1994	N/A	\$5,095	N/A	\$8,286	N/A
1995	N/A	\$4,979	N/A	\$8,477	N/A
1996	3,584	\$5,139	70	\$8,813	41
1997	3,716	\$5,492	68	\$9,122	41
1998	3,377	\$5,579	60	\$9,409	36
Percent Change	-5.8	4.9		14.9	

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### 3. Residential Overcrowding

Residential overcrowding is a significant problem in the Project Area. Many of the homes and apartment buildings date from the 1920s and were designed to accommodate singles and small families. In addition, during the 1980s, many of the single-family homes were demolished and replaced with apartment buildings. The increased density is exacerbated by the fact that the relatively high cost of housing has forced many people to “double up” in units. If Central Long Beach were a separate city, it would rank among the State of California’s most overcrowded communities.<sup>4</sup> This high level of density, coupled with a lack of code enforcement and high crime levels creates an environment that is unsafe and unhealthy for residents in the Project Area. The following analysis is based upon review of data available for the twenty-one (21) census tracts that encompass the Project Area.

The US Census reports overcrowding according to the basic unit standard used by the US Department of Housing and Urban Development (“HUD”), which is more than one person per room within a unit. More specifically, ideal housing is 1.00 persons per room or less, overcrowded housing is 1.01-1.50 persons per room, and severely overcrowded housing is 1.5+ persons per room. Based upon the 1990 Census (the latest information available), Table 11 presents living conditions as defined by HUD for the Project Area, City of Long Beach and County of Los Angeles. The table shows that the number of persons in ideal conditions in the Project Area is 70.6 percent when compared to the City at 83.5 percent and the County at 80.8 percent as a whole. Therefore, almost 30 percent of the occupied housing units within the Project Area are considered overcrowded. Although 1990 Census data was used, this data is representative of the Project Area today. In fact, overcrowding in the Project Area can be expected to be slightly worse than what is presented in this Report when considering that from 1990 to 2000 there was a 13 percent increase in population while the number of housing units in the Project Area decreased by less than one percent. This increase is much lower than the approximately one percent increase for the City of Long Beach and nearly six percent increase for Los Angeles County during this time period.

To further illustrate the overcrowding conditions within the Project Area, Figure 13 shows that all 21 of the census tracts within the Project Area are overcrowded to some degree. Census tract 5752 is the highest at 61.2 percent overcrowded, while census tract 5722.01 is the lowest at 4.1 percent overcrowded. Census tracts 5752, 5754, 5764, and 5732.02 are over 50 percent overcrowded, while census tracts 5762, 5731, 5722.02, 5765 and 5722.01 are less than 20 percent overcrowded. Overall, 16 of the 21 census

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<sup>4</sup> “Overcrowded Areas Vulnerable, Officials Say”, Long Beach Press-Telegram, May 5, 1993, p. A4.

**TABLE 11**  
**NUMBER OF OVERCROWDED HOUSING UNITS - PROJECT AREA, CITY OF LONG BEACH, COUNTY OF LOS ANGELES**  
**CENTRAL LONG BEACH REDEVELOPMENT PROJECT**

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<b>Persons Per Room</b>	<b>Central Long Beach Project Area</b>	<b>% of Total</b>	<b>City of Long Beach</b>	<b>% of Total</b>	<b>County of Los Angeles</b>	<b>% of Total</b>
1.00 or Less (Ideal)	41,551	70.6%	132,762	83.5%	2,414,266	80.8%
1.01-1.5 (Overcrowded)	4,868	8.3%	8,905	5.6%	202,183	6.8%
1.51 or more (Severely Overcrowded)	12,422	21.1%	17,308	10.9%	373,103	12.5%
<b>TOTAL</b>	<b>58,841</b>		<b>158,975</b>		<b>2,989,552</b>	

Source: 1990 Census

**FIGURE 13**  
**ESTIMATED NUMBER OF OVERCROWDED HOUSING UNITS BY CENSUS TRACT**  
**CENTRAL LONG BEACH REDEVELOPMENT PROJECT**

	<u>Census</u> <u>Tract</u> <u>Number</u>	<u>Total</u> <u>Occupied</u> <u>Units</u>	<u>Number of</u> <u>Overcrowded</u> <u>Units</u>	<u>% of</u> <u>Occupied</u> <u>Units</u> <u>Overcrowded</u>	<u>Percent</u> <u>Above</u> <u>Citywide</u> <u>Average</u>
	5752	2,430	1,487	<b>61.2%</b>	44.7%
	5754	2,089	1,265	<b>60.6%</b>	44.1%
	5764	3,683	2,116	<b>57.5%</b>	41.0%
Tracts more than 50% overcrowded →	5732.02	1,506	776	<b>51.5%</b>	35.0%
	5753	1,167	584	<b>50.0%</b>	33.6%
	5733	992	482	<b>48.6%</b>	32.1%
	5732.01	1,218	572	<b>47.0%</b>	30.5%
	5758	3,324	1,356	<b>40.8%</b>	24.3%
	5727	1,324	538	<b>40.6%</b>	24.1%
	5763	2,539	837	<b>33.0%</b>	16.5%
Tracts more than 20% overcrowded →	5726	1,230	399	<b>32.4%</b>	16.0%
	5751	4,324	1,328	<b>30.7%</b>	14.2%
	5730	3,214	971	<b>30.2%</b>	13.7%
	5759	3,411	945	<b>27.7%</b>	11.2%
	5769	4,195	996	<b>23.7%</b>	7.3%
	5728	1,015	223	<b>22.0%</b>	5.5%
	5762	2,298	446	<b>19.4%</b>	2.9%
	5731	2,330	410	<b>17.6%</b>	1.1%
<b>CITYWIDE AVERAGE</b>		158,975	26,213	<b>16.5%</b>	
	5722.02	1,227	179	<b>14.6%</b>	-1.9%
	5765	5,194	729	<b>14.0%</b>	-2.5%
	5722.01	1,823	74	<b>4.1%</b>	-12.4%

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tracts have a higher overcrowded rate than the City, while 15 census tracts have a higher rate than the County.

Furthermore, based upon the estimated population and number of households, the average number of persons per household was calculated and compared to that for the City of Long Beach as a whole and for the County of Los Angeles. As shown in Figure 14, in eighteen (18) of the twenty-one census tracts, the average number of persons per household exceeds the citywide average. In twelve (12) of the twenty-one census tracts, the average number of persons per household exceeds the citywide average by more than 20 percent. These census tracts are considered overcrowded. Ten (10) of the census tracts exceed the citywide average by more than 50 percent. These are considered severely overcrowded.

The significant levels of overcrowding contribute to the deterioration of the buildings and also affect the health and safety of the community due to the increase risks of death and injury from fires. After a 1993 fire in central Los Angeles that killed nine people in an overcrowded apartment building, a Long Beach Fire Department spokesman acknowledged that such fires could happen in any of the overcrowded housing conditions, including the Project Area. Overcrowding is often a contributing factor in fires because of the increased amount of clothing and other combustible items on the premises.

#### *4. Crime*

Crime data for 1997, 1998, and 1999 were obtained from the City of Long Beach Police Department. Table 12 presents the number of crimes reported for the past three years for those 21 census tracts encompassing the Project Area. The crime figures have increased over the last three years for the Project Area while decreasing for the City of Long Beach. The decrease in criminal activity in Long Beach is a trend that is occurring throughout the State as a whole due to an overall strong economy in most parts of State, which has resulted in an increase in law enforcement officers. Table 12 shows that the Project Area had a moderate increase in incidences of reported crimes.

**FIGURE 14**  
**ESTIMATED NUMBER OF PERSONS PER HOUSEHOLD**  
**CENTRAL LONG BEACH REDEVELOPMENT PROJECT**

		<u>Census</u> <u>Tract</u> <u>Number</u>	<u>Total</u> <u>Population</u>	<u>Number of</u> <u>Households</u>	<u>Avg. No. of</u> <u>Persons/</u> <u>Household</u>	<u>Percent</u> <u>Above</u> <u>Citywide</u> <u>Average</u>
		5752	8,653	1,916	<b>4.52</b>	75.7%
Tracts more than		5754	6,898	1,560	<b>4.42</b>	72.1%
50% above the		5764	13,206	3,069	<b>4.30</b>	67.4%
Citywide Average	→	5732.02	6,101	1,422	<b>4.29</b>	66.9%
		5733	4,230	1,030	<b>4.11</b>	59.8%
		5728	1,530	379	<b>4.04</b>	57.1%
(Severely overcrowded)		5727	6,651	1,657	<b>4.01</b>	56.2%
		5753	3,655	915	<b>3.99</b>	55.4%
Tracts more than		5732.01	5,347	1,343	<b>3.98</b>	54.9%
20% above the		5726	5,890	1,501	<b>3.92</b>	52.7%
Citywide Average	→	5758	8,423	2,643	<b>3.19</b>	24.0%
(Overcrowded)		5751	12,911	4,121	<b>3.13</b>	21.9%
		5730	9,840	3,300	2.98	16.0%
		5763	7,290	2,492	2.93	13.8%
Tracts above		5722.01	6,355	2,246	2.83	10.1%
Citywide Average	→	5722.02	3,481	1,245	2.80	8.8%
		5731	7,585	2,761	2.75	6.9%
		5769	11,763	4,287	2.74	6.8%
<b>CITYWIDE AVERAGE</b>					<b>2.68</b>	
		5759	6,987	2,822	2.48	
		5765	12,021	5,574	2.16	
		5762	4,331	2,123	2.04	

**TABLE 12 - Criminal Activity in the Project Area and the City of Long Beach**

Type of Crime	Central Project Area				City of Long Beach				Central Project Area as a % of the City, 1999
	1997	1998	1999	Percent Change (1997- 1999)	1997	1998	1999	Percent Change (1997- 1999)	
Murder	28	14	25	-11	56	38	46	-18	54
Rape	43	42	57	33	126	113	119	-6	48
Aggravated Assault	825	845	732	-11	2,161	1,770	1,518	-29	48
Robbery	699	799	746	7	1,841	1,750	1,561	-15	48
Residential Burglary	823	956	784	-5	3,226	2,963	2,559	-20	31
Commercial Burglary	225	271	229	2	1,064	939	795	-25	29
Auto Burglary	693	790	803	16	3,315	2,851	3,093	-7	26
Grand Theft	237	258	266	12	1,175	1,020	1,045	-11	25
Petty Theft	772	840	942	22	3,861	3,361	3,326	-14	28
Auto Theft	990	980	912	-8	4,212	3,522	3,347	-21	27
<b>TOTAL:</b>	5,335	5,795	5,496	1	21,037	18,327	17,409	-17	32

Source: Long Beach Police Department, Management Reporting and Annual Report, January 1999

The Project Area had 32 percent of the City's population in 1999 and a similar 32 percent of the reported crimes in the same year. Although the Project Area has a proportionate share of the crimes within the City, when compared to population, the types of crimes reported in the Project Area differ compared to the City. In comparing the Project Area and the City by type of crime, the numbers indicate that the Project Area experienced a higher percent change from 1997 to 1999 for the most serious crimes, especially for crimes against people. The Project Area has a 33 percent increase in rapes from 1997 to 1999, a 7 percent increase for robbery, a 2 percent increase for residential burglaries, 16 percent were for auto burglary, 12 percent were for grand theft, a 16 percent increase for commercial burglaries and a 22 percent increase in petty thefts. All of these growth rates are higher than comparable rates for the City. In fact, the City had a decrease in growth rate for each of these criminal acts. Although the Project Area had a decreased growth rate from 1997 to 1999 for murder, aggravated assault, residential burglary and auto theft, the percentage decrease as shown in Table 12 is significantly less than the City as a whole.

In addition, a look at the number of crimes in the Project Area in 1999 as a proportion of the City indicates that the proportions are higher for the most serious crimes. As previously stated, the Project Area had approximately 32 percent of the City's population in 1999, but had 54 percent of the City's reported murders during the same year, 48

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percent of the City's reported rapes, 48 percent of the City's reported aggravated assaults, and 48 percent of the City's reported robberies. Although the other criminal acts fall below 32 percent of the City's reported crimes, it is evident that the most serious crimes, crimes against people, occur at an alarming rate within the Project Area.

Gangs and drugs are blamed as major contributors to the crime problem in the City and the Project Area. Buildings marked with graffiti often indicate the prevalence of gang activity and criminal activity in the area. Plates 45 through 50 show structures covered with graffiti. Furthermore, evidence of unsafe conditions in the Project Area is seen through the prevalence of residences and businesses with bars on windows as shown on Plate 51. The field survey identified 379 of 464 blocks (82%) within the Project Area containing structures with barred windows and doors. Figure 15 shows the blocks that contain between 20 and 100 percent of the structures with barred windows and doors.

Indications that the Project Area is a high crime area and a dangerous place to live and work discourage existing and potential residents and business operators from considering the community a worthwhile place to reside or invest in and improve property. Even where there is sufficient incentive, a potential resident or investor may be unable to obtain financing at a favorable interest rate.

#### **D. INFRASTRUCTURE DEFICIENCIES**

Section 33030(c) of the CRL states that a blighted area also may be characterized by the existence of inadequate public improvements, parking facilities, or utilities. Although not a primary blighting factor these conditions impede the private sector's ability to develop and rehabilitate the area, thereby alleviating blighting conditions. Infrastructure deficiencies has been repeatedly voiced by residents and businesses in the Project Area as one of the most important issues, if not the most important issue.

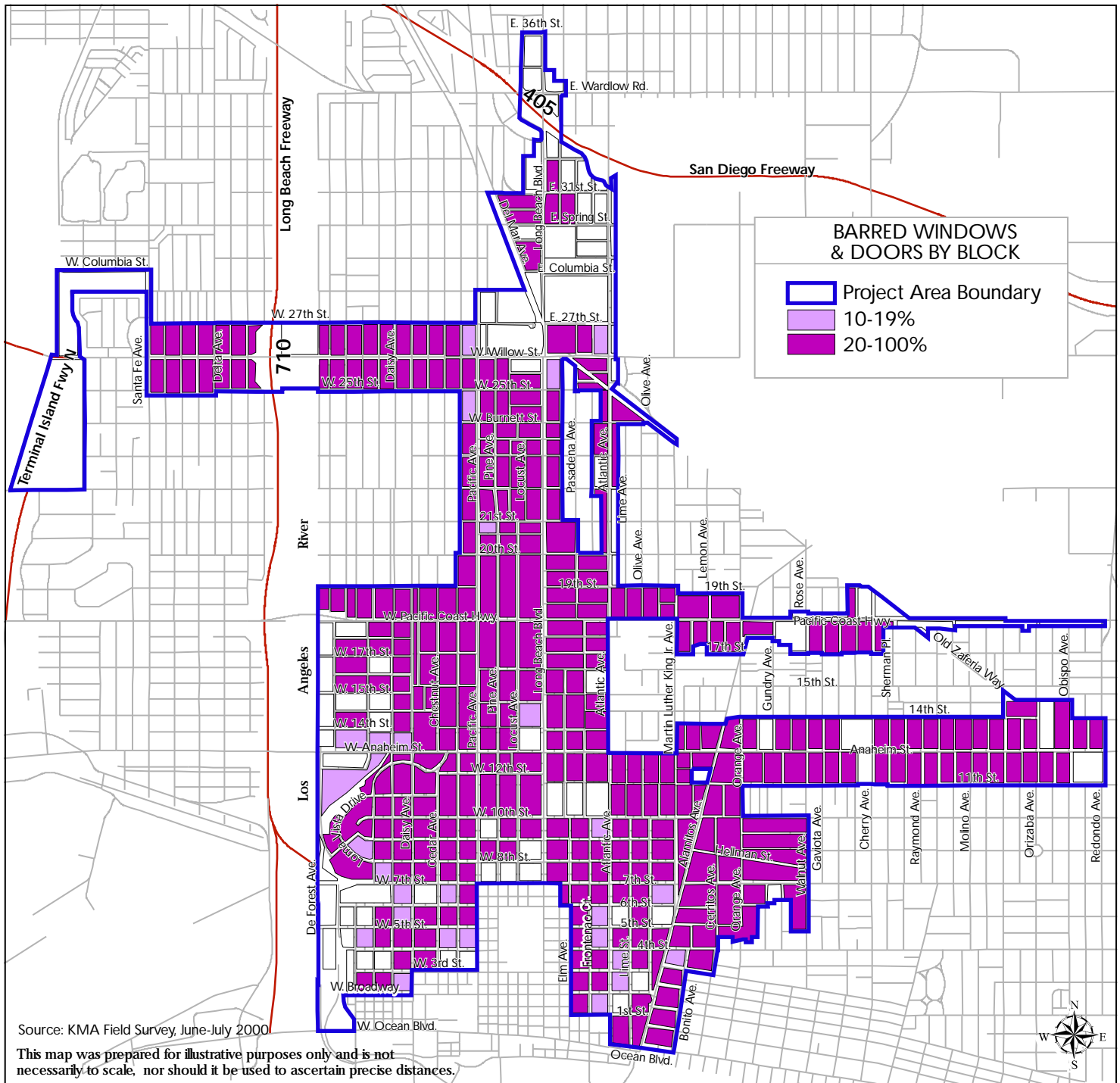
##### *1. Inadequate Public Improvements, Facilities and Utilities*

Private owners or developers can be inhibited in their efforts to upgrade or redevelop their property if the public facilities and utilities needed to serve the property are inadequate or non-existent. If, for example, traffic circulation is poor, or utility lines have insufficient capacity, public sector involvement is urgently needed to alleviate these inadequacies. The entire Project Area is characterized by the existence of inadequate public improvements, facilities and utilities.



FIGURE 15

# BARRED WINDOWS AND DOORS



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#### a. Sidewalks, Curbs, and Gutters

Lack of, or deteriorated, sidewalks, curbs, and gutters pose potential flooding, safety, and health problems to the Project Area and surrounding community. Lack of sidewalks and curbs also threaten motorist and pedestrian safety. Examples of missing, deteriorating and/or poorly designed sidewalks, curbs, and gutters are shown on Plates 4, 6, 8, 9, 16, 21, 22, 36, 39 and 53. The lack of, and poor condition of these public amenities act as a deterrent to investment and reinvestment if comparable areas with such improvements are found elsewhere, making the area unsuccessful in attracting investment.

#### b. Streets and Alleys

Heavy rainstorms often cause poorly maintained and inadequately designed storm drains to overflow or to result in localized flooding. Standing water contributes to deterioration of streets and alleys and increases mosquito abatement problems. Deteriorated streets and alleys degrade the appearance of the community, as evidenced on Plates 5, 8, 10, 16, 28, 36, 52, 53, 54, 55, 56, 57, 58, 59 and 60.

While the lack of such improvements may not have a direct negative impact on the day-to-day operations of current businesses within the Project Area, there are often long-term ramifications with respect to attracting potential investors. For example, if an individual or company is looking for property to invest in and all things being equal with respect to the quality of the private property available, such company or person may decide to go with the competing parcel of property because it is better served by public improvements.

#### c. Traffic, Circulation, and Parking Deficiencies

The Project Area has several major deficiencies in the traffic circulation patterns. Several east-west streets in the southern portion of the Project Area are narrow and hamper circulation. High traffic volumes on Anaheim Street, Pacific Coast Highway and Long Beach Boulevard present circulation problems.

The Project Area contains many substandard alleys (Plates 5, 28, 52, 56 and 58). These alleys act as streets by providing access to the primarily residential uses. This circulation pattern hinders suitable development, prevents adequate access for large vehicles and emergency vehicles, and encumbers two-way traffic.

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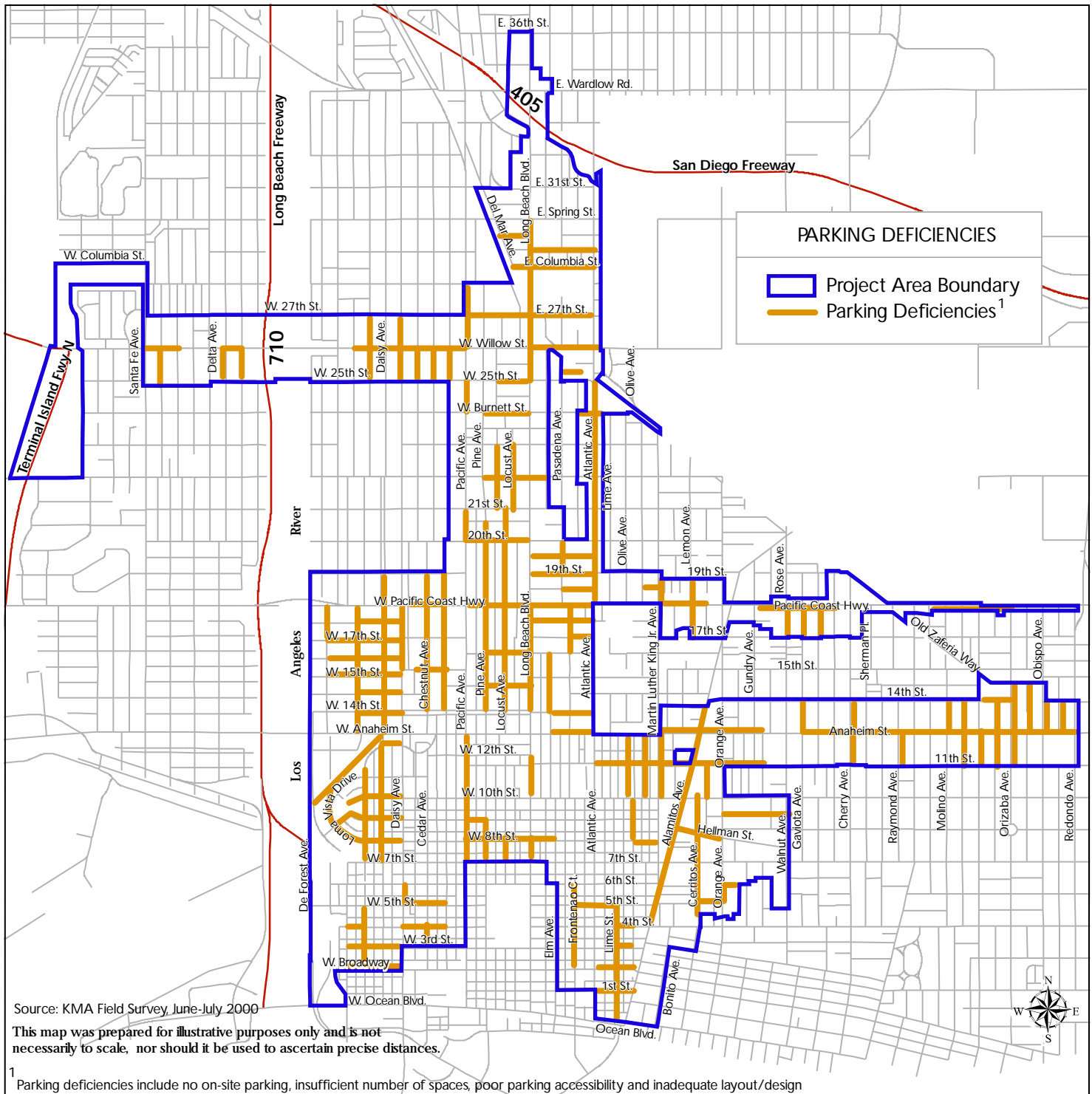
Parking on the major commercial corridors in the Project Area is limited, especially along Long Beach Boulevard, Atlantic Avenue, Anaheim Street, Pacific Coast Highway and Martin Luther King Jr. Avenue. Long Beach Boulevard lost most of its parking with the construction and operation of the Metro Blue Line light rail system. On-street parking was needed for providing an adequate right-of-way for the rail line without compromising the number of traffic lanes. A few parking spaces are available along the major commercial corridors of the Project Area but have posted time limits. A lack of parking represents a burden for employees and patrons of businesses on these major commercial corridors. As previously shown, Figure 16 shows the location where inadequate parking occurs. Plates 16, 21, 45, 55, 57 and 60 show examples of inadequate parking.

#### d. Overhead Utilities

Overhead utility lines; such as telephone and electrical lines, can be an investment and reinvestment deterrent primarily by causing an area to look cluttered and by limiting development. An area that contains overhead utility lines throughout creates a poor image of the area. Undergrounding of these lines is preferred because of the aesthetic benefits to an area, Project Area utility lines are commonly found in the alleys behind major arterials and, similar to inadequate lot size, restrict the size and type of a particular envelopment that may occur unless relocation or undergrounding is accomplished. Costs involved in relocating utility lines, especially by undergrounding, are substantial because of the special requirements involved. If owners and developers are required to pay for undergrounding the lines before development, the feasibility of the development may be impaired. Overhead utilities lines are found throughout the Project Area, and examples are shown on Plates 2, 3, 4, 6, 8, 9, 39, 40, 55, 56 and 58.

FIGURE 16

# PARKING DEFICIENCIES



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#### **IV. DESCRIPTION OF THE SPECIFIC PROJECTS PROPOSED BY THE AGENCY AND HOW THE PROJECTS WILL IMPROVE OR ALLEVIATE THE BLIGHTING CONDITIONS**

The CRL requires that a report include a description of the specific projects and programs to be undertaken by the Agency and how such projects and programs will alleviate blight in the Project Area. This section describes the Agency's proposed program of redevelopment and its relationship to blight alleviation.

As stated throughout this Report, since the adoption of the 1993 Plan, the Original Project Area has seen limited improvements in the overall physical and economic make-up of the area. This is largely attributed to the Agency's inability to collect tax increment due to the decrease in overall property values since the adoption of the 1993 Plan. Without these necessary tax increment funds, the Agency cannot implement the necessary projects and programs to alleviate the physical and economic blighting conditions that are prevalent within the Project Area. For this reason, the adoption of the new Project Area is necessary.

The redevelopment program presented in this section is conceptual in nature. Due to the lengthy time frame for implementing the Redevelopment Plan, the redevelopment program needs to be flexible and provide the capability to respond to changes and private sector interest in the Project Area. Within the redevelopment program, the Agency will develop specific projects and activities as opportunities arise. The Agency will also develop more specific program goals and projects for the first five years of Project implementation as part of its Implementation Plan.

##### **A. REDEVELOPMENT PROGRAMS**

The redevelopment program has been divided between five (5) categories which include the following: 1) Capital and Public Improvements Program; 2) Commercial Revitalization Program; 3) Neighborhood Revitalization Program; 4) Affordable Housing Program; and 5) Atlantic Avenue Corridor Revitalization. The programs are designed to address the most significant blighting conditions in the Project Area. It is believed that as the most significant blighting conditions are reduced that further private sector investment will occur in the Project Area and lead to further removal of blight. Therefore, the Agency's program of redevelopment will serve as a catalyst to remove blighting conditions and spur the preservation, improvement and creation of affordable housing. The proposed redevelopment programs are discussed below.

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### *1. Capital and Public Improvements Program*

The Agency proposes to continue to include projects within its Capital and Public Improvements Program designed to improve the Project Area's infrastructure. These projects may include street and streetscape improvements, water distribution system improvements, sewer and storm drain improvements, repair and undergrounding of utilities; development of additional open space, construction or rehabilitation and upgrading of Police, Fire, Public Health, Library, educational and other public facilities buildings and public parking lot improvements.

### *2. Commercial Revitalization Program*

The Agency plans to implement this program in a variety of ways. These will include programs such as business assistance and expansion, building and façade improvement assistance, the Central Area Clean-up Project (identification of substandard sites and subsequent clean-up, beautification or demolition), formation of business improvement districts, and the promotion of new and continuing private sector investment. In addition, the Agency will, as opportunities arise, participate in major land use management efforts designed to encourage commercial activities. These may include design for development, development strategies, advise to the City's Planning and Building Department regarding appropriate zoning for commercial corridors, the development of architectural design guidelines, and the completion of other related land use studies. Further, the Agency will designate potentially desirable commercial properties for private development, select developers through the Request for Qualifications process and assist with the assembly of land to accommodate acceptable commercial development.

### *3. Neighborhood Revitalization Program*

This program will be implemented in conjunction with the City's Neighborhood Services Bureau, the Neighborhood Revitalization Program includes rebates and loans for improvement of existing deteriorated residential properties, a security component, graffiti removal and prevention, the creation of Neighborhood Preservation Areas and the issuance of Certificates of Conformance and related efforts.

### *4. Affordable Housing Program*

A program to increase the supply of affordable housing will be implemented. Please refer to Attachment 5 entitled "Low- and Moderate-Income Housing Fund Expenditure Plan" for a detailed program description. In addition, expenditure of housing set-aside

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funds is to be governed by the terms set forth in Redevelopment Agency Resolution No. R.A. 20-93, adopted on August 23, 1993, which states, in part, that “the Agency will assure that expenditures for low- and moderate-income housing in the Project Area will not be less than the amount contributed to the housing fund from the Project Area.”

#### *5. Atlantic Avenue Corridor Revitalization*

This program addressed the efforts to revitalize the Atlantic Corridor, primarily from Pacific Coast Highway to Willow Street. The focus will be on land acquisition using HOME funds to develop additional home ownership opportunities along the Corridor.

### **B. HOW THE PROPOSED PROJECTS AND PROGRAMS WILL IMPROVE OR ALLEVIATE EXISTING CONDITIONS IN THE PROJECT AREA**

The Agency’s proposed program of redevelopment is designed to alleviate the most prevalent conditions of blight, as discussed above, that are found in the Project Area. The Agency cannot solely eliminate all conditions of blight. However, the Agency intends to act as a catalyst to spur the private sector and area residents and businesses to further assist in the revitalization of the Project Area.

Depending upon the specific Projects undertaken under the Capital and Public Improvements program, infrastructure related blighting conditions such as a lack of public improvements and deficient storm drains, streets and sewer systems, will be addressed by the Capital Improvement Program. Each reflects a shortfall between current demand for public improvements and the level of service provided. As capital improvements are made, the shortfall or gap between adequate levels of service and then current levels will be reduced.

Implementation of the Commercial Revitalization Program will reduce one or more of the blighting conditions described in Section III of the Report. Commercial Revitalization impacts both physical deterioration, such as the need for exterior paint or the need to eliminate obsolescence through façade and site improvements, and economic conditions such as commercial vacancies. A more successful commercial area will naturally generate employment opportunities. The specific blighting conditions impacted will be dependant upon opportunities presented and the public and private participation in the various components of the program.

The Neighborhood Revitalization Program will address physical blight such as defective design, building code violations, deterioration, dilapidation and deferred maintenance.

Additionally, new investments and economic opportunities will be encouraged through a general improvement in the area's appearance.

The Affordable Housing Program will address the various forms of physical blight linked to the program, which include structural deterioration and dilapidated, and deferred maintenance. In addition, blighting conditions such as housing in inappropriate locations are overcrowding may be eliminated by the implementation of this program.

The Atlantic Avenue Corridor Revitalization Program will address physical blight such as deterioration, dilapidation and deferred maintenance. Additionally, new investments and economic opportunities will be encouraged through a general improvement in the area's appearance.

<b>RELATIONSHIP BETWEEN THE AGENCY'S PROPOSED PROGRAMS AND THE ELIMINATION OF BLIGHT</b>					
Blighting Conditions	PROPOSED REDEVELOPMENT PROGRAMS				
	Capital and Public Improvements Program	Commercial Revitalization Program	Neighborhood Revitalization Program	Affordable Housing Program	Atlantic Avenue Corridor Revitalization
<b>Physical Blight</b>					
Structural Deterioration		X	X	X	X
Defective Design & Physical Construction		X	X	X	X
Building Code Violations		X	X	X	X
Exposed Utilities		X	X	X	X
Obsolescence/ Substandard Design and Inadequate Building Size		X	X	X	X
Lots of Irregular Shape and Inadequate Size		X	X	X	X
Incompatible Land Uses		X			X
<b>Economic Blight</b>					
Depreciated or Stagnant Property Values	X	X	X	X	X
Site Conditions	X	X	X	X	X
Commercial Vacancies/ Low Lease Rates		X			X
High Crime Rate		X	X	X	X
Overcrowding			X	X	
Infrastructure Deficiencies	X				X



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## **V. PROPOSED METHOD OF FINANCING THE REDEVELOPMENT PLAN, ECONOMIC FEASIBILITY, AND REASONS FOR INCLUDING TAX INCREMENT FINANCING**

Section 33344.5(d) of the California Redevelopment Law (CRL) provides that the Report for the adoption of the Redevelopment Plan for the Central Long Beach Redevelopment Project contain a preliminary assessment of the proposed method of financing the redevelopment of the Project Area, including an assessment of economic feasibility and the reasons for including a provision for the division of taxes pursuant to Section 33670 of the CRL.

Economic feasibility, for purposes of this analysis, is defined to be a comparative analysis of anticipated costs for implementation of the Plan to the resulting revenues expected to be generated by the Project Area. Under existing redevelopment law, the effectiveness of the Plan is limited to a maximum of 30 years (except for payment of indebtedness and the enforcement of covenants) and the collection of tax increment to repay indebtedness may occur for an additional 15 years thereafter. These assumptions have been incorporated in the economic feasibility.

This analysis is intended to provide a preliminary assessment of the proposed method of financing the redevelopment of the Project Area as authorized under existing law. This Report is also intended to provide an assessment of the economic feasibility of the Project Area and reasons for including tax increment financing and other financing sources in the Plan.

This section contains a general discussion of the costs associated with the anticipated redevelopment program of activities, and an evaluation of the general financing methods that may be available to the Agency. Economic feasibility is determined through a summarized feasibility cash flow analysis for the Project Area as summarized on Table 13.

### **A. ESTIMATED TOTAL PROJECT COSTS**

A determination of economic feasibility requires an identification of the potential costs associated with redevelopment of the Project Area. Redevelopment could require significant participation from the Agency in activities to promote and achieve the goals and objectives of the Plan and to address blighting conditions. The implementation strategy also includes programs to assist in the creation and retention of affordable housing opportunities in the community. The proposed activities and programs of the Plan are as follows:

1. Affordable Housing Program
2. Capital and Public Improvement Program
3. Commercial Revitalization Program

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4. Neighborhood Revitalization Program
  5. Atlantic Avenue Corridor Revitalization Program
  6. Project Administration

The Plan described in this Report outlines a set of activities to be implemented by the Agency for the purpose of facilitating private reinvestment in the Project Area and eliminating physical and economic blighting influences, and increasing, improving and preserving the community's supply of low- and moderate-income housing. The estimated cost of the proposed redevelopment programs over the life of the Plan is as follows:

Affordable Housing	\$79,351,000
Capital and Public Improvements	79,687,000
Commercial Revitalization	31,875,000
Neighborhood Revitalization	23,906,000
Atlantic Avenue Corridor Revitalization	7,969,000
Project Administration	15,936,000
Debt Repayment	<u>146,354,000</u>
Total Estimated Costs	\$385,078,000

#### *1. Affordable Housing Program*

The Agency is required to deposit 20 percent of gross tax increment revenues generated by the Project Area into the Agency's Low- and Moderate-Income Housing Fund for the purposes of increasing, improving and preserving the community's supply of low- and moderate-income housing. Low- and moderate-income housing activities would be based upon existing programs of the Agency overall. Total housing set aside revenues projected to be available from the Project Area total \$79,351,000, as projected on the Table 13 cash flow.

#### *2. Capital and Public Improvements Program*

A capital and public improvements program would be designed to improve the Project Area's infrastructure and could include street and streetscape improvements, water distribution system improvements, sewer and storm drain improvements, repair and undergrounding of utilities, development of additional open space, construction or rehabilitation and upgrading of police, fire, public health, library, education and other public facilities. For purposes of the economic feasibility analysis outlined on Table 13, it has been assumed that 50 percent of net available Project Area revenues will be annually budgeted for this program, totaling \$79,687,000 over the life of the Plan.

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### *3. Commercial Revitalization Program*

A commercial revitalization program could include business assistance and expansion, building and façade improvement assistance, funding for the Central Area Clean Up Project, formation of business improvement districts and the promotion of new and continuing private sector investment. As opportunities may occur, the Agency may also elect to participate in major land use management efforts designed to encourage commercial activities in the Project Area and to designate potentially desirable commercial properties for private development, select developers through the Request for Qualifications process and assist with the assembly of land to accommodate acceptable commercial development. For purposes of the economic feasibility analysis outlined on Table 13, it has been assumed that 20 percent of net available Project Area revenues will be annually budgeted for this program, totaling \$31,875,000 over the life of the Plan.

### *4. Neighborhood Revitalization Program*

A neighborhood revitalization program implemented in conjunction with the City's Neighborhood Services Bureau, could provide on-going rebate and loan assistance for the improvement of existing deteriorated residential properties, security, graffiti removal and prevention, creation of neighborhood preservation areas and the issuance of Certificates of Conformance and other related efforts. For purposes of the economic feasibility analysis outlined on Table 13, it has been assumed that 15 percent of net available Project Area revenues will be annually budgeted for this program, totaling \$23,906,000 over the life of the Plan.

### *5. Atlantic Avenue Corridor Revitalization Program*

This program could concentrate on revitalization efforts on the Atlantic Avenue corridor, primarily between Pacific Coast Highway and Willow Street. The program could include land acquisition activities to develop additional home ownership opportunities in the future. In addition to tax increment revenues, the Agency may also pursue other funding sources such as HOME Funds. For purposes of the economic feasibility analysis outlined on Table 13, it has been assumed that 5 percent of net available Project Area revenues will be annually budgeted for this program, totaling \$7,969,000 over the life of the Plan.

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## 6. *Project Administration*

Project administration activities would include the preparation and administration of overall redevelopment programs, including budgeting, monitoring, reporting and auditing services. For purposes of the economic feasibility analysis outlined on Table 13, it has been assumed that 10 percent of net available Project Area revenues will be annually budgeted for this program, totaling \$15,936,000 over the life of the Plan.

## 7. *Debt Repayment*

The Agency will consider funding alternatives allowable under the CRL to finance the anticipated redevelopment programs discussed above, including, for purposes of this analysis, the issuance of tax allocation bonds. The Agency may utilize tax increment revenues generated in the Project Area to secure the debt service of tax allocation bonds to assist in the financing of anticipated project costs. The issuance of tax-exempt bonds and the use of said proceeds are subject to certain federal tax restrictions.

The feasibility cash flow assumes that the Agency will issue tax allocation bonds commencing in the second year after the plan adoption, in which tax increment revenues are projected to be sufficient to support net bond proceeds totaling \$5,749,000. In the fourth, sixth and twentieth years after the plan adoption, net tax increment revenues are assumed to be used for the issuance of additional new bonds. The combined bonded indebtedness projected to be issued by the Agency over this period shown on Table 13 and totals \$66,287,000. The aggregate principal and interest payments for the combined bond series over the life of the Plan is projected to total \$146,354,000 and the resulting net interest cost totals approximately \$80,067,000 (based upon an assumed bond interest rate of 6 percent, a coverage ratio of 25 percent, net proceeds factor of 12 percent, and capitalized over a maximum 30-year term).

## **B. FINANCING METHODS AVAILABLE TO THE AGENCY**

The Plan is prepared with the intent of providing the Agency with the necessary legal authority and flexibility to implement the revitalization of the Project Area. The Plan authorizes the Agency to finance the Project with financial assistance from any or all of the following sources: (1) City of Long Beach; (2) State of California; (3) federal government; (4) tax increment funds in accordance with provisions of the existing CRL; (5) Agency bonds; (6) interest income; (7) loans from private financial institutions; (8) lease or sale of

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Agency-owned property; (9) donations; and (10) any other legally available public or private sources.

Current provisions of the CRL provide authority to the Agency to create indebtedness, issue bonds, borrow funds or obtain advances in implementing and carrying out the specific intents of a redevelopment plan. The Agency is authorized to fund the principal and interest on the indebtedness, bond issues, borrowed funds or advances from tax increment revenue and any other funds available to the Agency. To the extent that it is able to do so, the City may also supply additional assistance through City loans or grants for various public facilities or other project costs.

Potential revenue sources to fund project costs, as assumed in this economic feasibility cash flow, include, but are not limited to, tax increment revenues and interest earnings. The resources projected to be available to finance the anticipated redevelopment programs are summarized as follows:

Net Tax Increment Revenue	\$230,671,000
Housing Set Aside	79,351,000
Future Net Bond Proceeds	66,287,000
Other Sources - Interest & Fund Balance	<u>8,770,000</u>
Total Aggregate Resources	\$385,079,000

#### *1. Net Tax Increment Revenues*

A summary of the projection of the incremental taxable values and resulting tax increment revenues for the Project Area over the term of the Plan is shown on Table 14. Although not projected on Table 14, tax increments generated from the Project Area could be allocated to the Agency for up to an additional 15 years after the Plan termination date to repay indebtedness incurred from tax allocation bonds assumed on Table 13. The net total tax increment revenues for the Project Area over the 45-year debt repayment limit of the Project Area amounts to \$230,671,000. The amount is net of County administrative charges, the 20 percent housing set aside requirement and the AB 1290 statutory pass through obligations to affected taxing agencies.

Tax increment revenues are based upon increases in the annual incremental assessed valuation of the Project Area, which result from near term new construction activities identified by Agency staff and the real property annual inflationary increase allowable under Article XIII A of the California Constitution. Commencing in the second year of the Table 13 projection, an additional 1 percent real property growth factor is assumed to reflect future transfers of ownership or new development activities which may occur throughout the Project Area.

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## *2. Housing Set Aside Revenue*

The Agency is required to deposit 20 percent of gross tax increment revenues generated by the Project Area into the Agency's Low- and Moderate-Income Housing Fund for the purposes of increasing, improving and preserving the community's supply of low- and moderate-income housing. Total housing set aside revenues projected to be available from the Project Area total \$79,351,000, as projected on the Table 13 cash flow.

## *3. Future Net Bond Proceeds*

The Agency may pledge tax increment revenues to secure the principal and interest payments of tax allocation bonds issued to finance anticipated program costs. The issuance of tax-exempt bonds and the use of said proceeds are subject to federal tax restrictions. The economic feasibility of the financing plan reflected on Table 13 is based upon the Agency's issuance of tax allocation bonds generating approximately \$66,287,000 in net proceeds. The feasibility cash flow assumes that the Agency will consider tax allocation bond financing and other loan financing alternatives.

## *4. Interest Earnings*

The Agency may receive interest earnings generated from funds on deposit in the bond reserve funds, project operating funds, housing set aside funds and other special funds established for the Project Area. Bond reserve funds are assumed to maintain a fund balance equivalent to outstanding debt service. Interest earnings are based upon an assumed 6 percent rate and are applied to the balances available in the respective funds.

## **C. PROPOSED FINANCING METHOD, ECONOMIC FEASIBILITY, AND REASONS FOR INCLUDING TAX INCREMENT FINANCING**

The anticipated costs for revitalization in the Project Area will require participation from the Agency as it implements activities, which promote and achieve the stated goals and objectives of the Redevelopment Plan. Funding of the Project Area's costs is anticipated to come from one or more sources of funds available to the Project Area, including the issuance of new tax allocation bond proceeds. As projected on the Table 13 cash flow, sufficient future discretionary funding resources are projected to become available for the financing of the Project Area's redevelopment programs.

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The economic feasibility summarized on Table 13 was created to represent one scenario of economic feasibility. At the discretion of the Agency, other funding sources discussed above may also represent viable funding alternatives for economic feasibility of the Plan. Although the Agency may consider other funding sources permitted in the Plan, not all of the funding sources may be available or be feasible for the Agency to use in financing any revenue shortfalls. In the event that neither the City nor the private market acting alone could fully bear the costs associated with revitalization of the Project Area, the implementation of a redevelopment program utilizing tax increment revenues must be considered as a viable financing tool. The Agency will maintain full discretion over the commitment of annual available resources to future projects and programs as priorities are updated and revised for the Project Area.

#### **D. BONDED INDEBTEDNESS LIMIT FOR THE PROJECT AREA**

A bonded indebtedness limit, as required by the CRL for inclusion in the Plan, has been determined. The total bonds supported in whole or in part by tax increment revenues, which may be outstanding at one time, may not exceed \$2,000,000,000. The bonded indebtedness limit has been determined based on targeted redevelopment implementation and administrative costs over the remaining life of the Project Area.

**Table 13**  
**Economic Feasibility Cash Flow**  
**Central Project Proposed Re-Adoption**  
**Long Beach Redevelopment Agency**  
**(000's Omitted)**

Re-Adopted Plan Year:	Debt Incurrence -->																			
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
I. Resources:																				
Tax Increment Revenue (Table IV-2)	0	593	920	1,258	1,605	1,962	2,330	2,708	3,098	3,499	3,824	4,159	4,503	4,857	5,222	5,598	5,985	6,383	6,793	7,214
Housing Set Aside (Table IV-2)	0	197	306	419	535	654	776	902	1,032	1,166	1,304	1,445	1,591	1,741	1,896	2,055	2,219	2,387	2,561	2,739
Future Net Bond Proceeds	0	5,749	0	6,443	0	6,826	0	0	0	0	0	0	0	0	0	0	0	0	0	47,268
Interest Earnings at 6%	0	0	28	28	60	60	94	94	94	94	94	94	94	94	94	94	94	94	94	94
<b>Total Projected Resources</b>	<b>0</b>	<b>6,539</b>	<b>1,254</b>	<b>8,148</b>	<b>2,200</b>	<b>9,502</b>	<b>3,200</b>	<b>3,704</b>	<b>4,224</b>	<b>4,759</b>	<b>5,222</b>	<b>5,698</b>	<b>6,188</b>	<b>6,692</b>	<b>7,212</b>	<b>7,747</b>	<b>8,298</b>	<b>8,864</b>	<b>9,448</b>	<b>57,315</b>
II. Expenditures:																				
Future Bond Debt Service	0	0	474	474	1,006	1,006	1,570	1,570	1,570	1,570	1,570	1,570	1,570	1,570	1,570	1,570	1,570	1,570	1,570	1,570
Affordable Housing Program	0	197	306	419	535	654	776	902	1,032	1,166	1,304	1,445	1,591	1,741	1,896	2,055	2,219	2,387	2,561	2,739
Capital & Public Improvements at 50	0	3,171	237	3,628	330	3,921	427	616	811	1,012	1,174	1,342	1,514	1,691	1,873	2,061	2,255	2,454	2,659	26,503
Commercial Revitalization at 20%	0	1,268	95	1,451	132	1,568	171	246	324	405	470	537	605	676	749	824	902	981	1,063	10,601
Neighborhood Revitalization at 15%	0	951	71	1,088	99	1,176	128	185	243	303	352	402	454	507	562	618	676	736	798	7,951
Atlantic Ave Corridor Revitalization at 10%	0	317	24	363	33	392	43	62	81	101	117	134	151	169	187	206	225	245	266	2,650
Project Administration at 10%	0	634	47	726	66	784	85	123	162	202	235	268	303	338	375	412	451	491	532	5,301
<b>Total Projected Expenditures</b>	<b>0</b>	<b>6,539</b>	<b>1,254</b>	<b>8,148</b>	<b>2,200</b>	<b>9,502</b>	<b>3,200</b>	<b>3,704</b>	<b>4,224</b>	<b>4,759</b>	<b>5,222</b>	<b>5,698</b>	<b>6,188</b>	<b>6,692</b>	<b>7,212</b>	<b>7,747</b>	<b>8,298</b>	<b>8,864</b>	<b>9,448</b>	<b>57,315</b>



**Table 13**  
**Economic Feasibility Cash Flow**  
**Central Project Proposed Re-Adop**  
**Long Beach Redevelopment Agen**  
**(000's Omitted)**

Re-Adopted Plan Year:	21	22	23	24	25	26	27	28	29	30	New Plan Limit -->								
	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	31	32	33	34	35	36	37	38	39
											2031-32	2032-33	2033-34	2034-35	2035-36	2036-37	2037-38	2038-39	2039-40
I. Resources:																			
Tax Increment Revenue (Table IV-2)	7,649	8,096	8,556	9,030	9,518	10,020	10,537	11,069	11,617	12,182	5,425	4,980	4,980	4,480	4,480	3,949	3,949	3,949	3,949
Housing Set Aside (Table IV-2)	2,923	3,112	3,307	3,508	3,715	3,927	4,146	4,372	4,604	4,843	1,356	1,245	1,245	1,120	1,120	987	987	987	987
Future Net Bond Proceeds	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Interest Earnings at 6%	346	346	346	346	346	346	346	346	346	346	346	317	317	285	285	252	252	252	252
<b>Total Projected Resources</b>	<b>10,918</b>	<b>11,554</b>	<b>12,209</b>	<b>12,884</b>	<b>13,579</b>	<b>14,293</b>	<b>15,029</b>	<b>15,787</b>	<b>16,567</b>	<b>17,371</b>	<b>7,127</b>	<b>6,542</b>	<b>6,542</b>	<b>5,885</b>	<b>5,885</b>	<b>5,188</b>	<b>5,188</b>	<b>5,188</b>	<b>5,188</b>
II. Expenditures:																			
Future Bond Debt Service	5,771	5,771	5,771	5,771	5,771	5,771	5,771	5,771	5,771	5,771	5,771	5,297	5,297	4,765	4,765	4,201	4,201	4,201	4,201
Affordable Housing Program	2,923	3,112	3,307	3,508	3,715	3,927	4,146	4,372	4,604	4,843	1,356	1,245	1,245	1,120	1,120	987	987	987	987
Capital & Public Improvements at 50%	1,112	1,336	1,566	1,803	2,047	2,298	2,556	2,822	3,096	3,379	0	0	0	0	0	0	0	0	0
Commercial Revitalization at 20%	445	534	626	721	819	919	1,022	1,129	1,238	1,351	0	0	0	0	0	0	0	0	0
Neighborhood Revitalization at 15%	334	401	470	541	614	689	767	847	929	1,014	0	0	0	0	0	0	0	0	0
Atlantic Ave Corridor Revitalization at 10%	111	134	157	180	205	230	256	282	310	338	0	0	0	0	0	0	0	0	0
Project Administration at 10%	222	267	313	361	409	460	511	564	619	676	0	0	0	0	0	0	0	0	0
<b>Total Projected Expenditures</b>	<b>10,918</b>	<b>11,554</b>	<b>12,209</b>	<b>12,884</b>	<b>13,579</b>	<b>14,293</b>	<b>15,029</b>	<b>15,787</b>	<b>16,567</b>	<b>17,371</b>	<b>7,127</b>	<b>6,542</b>	<b>6,542</b>	<b>5,885</b>	<b>5,885</b>	<b>5,188</b>	<b>5,188</b>	<b>5,188</b>	<b>5,188</b>

**Table 13**  
**Economic Feasibility Cash Flow**  
**Central Project Proposed Re-Adopt**  
**Long Beach Redevelopment Agen**  
**(000's Omitted)**

Re-Adopted Plan Year:	New Debt Repayment Limit -->						Totals
	40 2040-41	41 2041-42	42 2042-43	43 2043-44	44 2044-45	45 2045-46	
I. Resources:							
Tax Increment Revenue (Table IV-2)	3,949	3,949	3,949	3,949	3,949	0	230,671
Housing Set Aside (Table IV-2)	987	987	987	987	987	0	79,351
Future Net Bond Proceeds	0	0	0	0	0	0	66,287
Interest Earnings at 6%	252	252	252	252	252	0	8,770
<b>Total Projected Resources</b>	<b>5,188</b>	<b>5,188</b>	<b>5,188</b>	<b>5,188</b>	<b>5,188</b>	<b>0</b>	<b>385,079</b>
II. Expenditures:							
Future Bond Debt Service	4,201	4,201	4,201	4,201	4,201	0	146,354
Affordable Housing Program	987	987	987	987	987	0	79,351
Capital & Public Improvements at 50	0	0	0	0	0	0	79,687
Commercial Revitalization at 20%	0	0	0	0	0	0	31,875
Neighborhood Revitalization at 15%	0	0	0	0	0	0	23,906
Atlantic Ave Corridor Revitalization at	0	0	0	0	0	0	7,969
Project Administration at 10%	0	0	0	0	0	0	15,937
<b>Total Projected Expenditures</b>	<b>5,188</b>	<b>5,188</b>	<b>5,188</b>	<b>5,188</b>	<b>5,188</b>	<b>0</b>	<b>385,078</b>

Table 14

**Tax Increment Projection**  
**Central Project Proposed Re-Adoption**  
**Long Beach Redevelopment Agency**  
**(000's Omitted)**

	0	1	2	3	4	5	6	7	8	9	10	11
	Re-Adopted Base Year		Ist Year of TI Receipt									
	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12
<b>I. Real Property</b>	1,690,885	1,690,885	1,733,829	1,788,904	1,842,571	1,897,848	1,954,783	2,013,427	2,073,830	2,136,044	2,200,126	2,266,130
Inflationary Growth	0	33,818	52,015	53,667	55,277	56,935	58,643	60,403	62,215	64,081	66,004	67,984
New Development Value Added	0	9,126	3,060	0	0	0	0	0	0	0	0	0
Total Real Property	1,690,885	1,733,829	1,788,904	1,842,571	1,897,848	1,954,783	2,013,427	2,073,830	2,136,044	2,200,126	2,266,130	2,334,113
<b>II. Personal Property &amp; SBE</b>	202,873	202,873	203,710	205,747	207,804	209,882	211,981	214,101	216,242	218,404	220,589	222,794
Appeal Value Change	0	0	0	0	0	0	0	0	0	0	0	0
Subtotal	202,873	202,873	203,710	205,747	207,804	209,882	211,981	214,101	216,242	218,404	220,589	222,794
Inflationary Growth	0	0	2,037	2,057	2,078	2,099	2,120	2,141	2,162	2,184	2,206	2,228
New Development Value Added	0	837	0	0	0	0	0	0	0	0	0	0
Total Personal Property	202,873	203,710	205,747	207,804	209,882	211,981	214,101	216,242	218,404	220,589	222,794	225,022
<b>III. Total Project Value</b>	1,893,758	1,937,538	1,994,650	2,050,375	2,107,730	2,166,764	2,227,528	2,290,072	2,354,449	2,420,714	2,488,924	2,559,136
Less Base Value	(1,893,758)	(1,893,758)	(1,893,758)	(1,893,758)	(1,893,758)	(1,893,758)	(1,893,758)	(1,893,758)	(1,893,758)	(1,893,758)	(1,893,758)	(1,893,758)
Incremental Value Over Base	0	43,780	100,892	156,617	213,972	273,006	333,769	396,313	460,690	526,956	595,166	665,377
<b>IV. Gross Tax Revenue</b>	0	0	1,009	1,566	2,140	2,730	3,338	3,963	4,607	5,270	5,952	6,654
Less County Admin Fees at 2%	0	0	(20)	(31)	(43)	(55)	(67)	(79)	(92)	(105)	(119)	(133)
Subtotal	0	0	989	1,535	2,097	2,675	3,271	3,884	4,515	5,164	5,833	6,521
Less Housing Set Aside at 20%	0	0	(198)	(307)	(419)	(535)	(654)	(777)	(903)	(1,033)	(1,167)	(1,304)
Less Statutory Pass Through at 20	NA	0	(198)	(307)	(419)	(535)	(654)	(777)	(903)	(1,033)	(1,167)	(1,304)
Less Statutory Pass Through at 16	NA	0	0	0	0	0	0	0	0	0	0	(88)
Less Statutory Pass Through at 11	NA	0	0	0	0	0	0	0	0	0	0	0
<b>V. Net Tax Increment Revenue</b>	0	0	593	921	1,258	1,605	1,963	2,330	2,709	3,099	3,500	3,825

**Table 14**  
**Tax Increment Projection**  
**Central Project Proposed Re-Adop**  
**Long Beach Redevelopment Agen**  
**(000's Omitted)**

	12	13	14	15	16	17	18	19	20	21	22	23
	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
<b>I. Real Property</b>	2,334,113	2,404,137	2,476,261	2,550,549	2,627,065	2,705,877	2,787,053	2,870,665	2,956,785	3,045,489	3,136,853	3,230,959
Inflationary Growth	70,023	72,124	74,288	76,516	78,812	81,176	83,612	86,120	88,704	91,365	94,106	96,929
New Development Value Added	0	0	0	0	0	0	0	0	0	0	0	0
Total Real Property	2,404,137	2,476,261	2,550,549	2,627,065	2,705,877	2,787,053	2,870,665	2,956,785	3,045,489	3,136,853	3,230,959	3,327,888
<b>II. Personal Property &amp; SBE</b>	225,022	227,273	229,545	231,841	234,159	236,501	238,866	241,254	243,667	246,104	248,565	251,050
Appeal Value Change	0	0	0	0	0	0	0	0	0	0	0	0
Subtotal	225,022	227,273	229,545	231,841	234,159	236,501	238,866	241,254	243,667	246,104	248,565	251,050
Inflationary Growth	2,250	2,273	2,295	2,318	2,342	2,365	2,389	2,413	2,437	2,461	2,486	2,511
New Development Value Added	0	0	0	0	0	0	0	0	0	0	0	0
Total Personal Property	227,273	229,545	231,841	234,159	236,501	238,866	241,254	243,667	246,104	248,565	251,050	253,561
<b>III. Total Project Value</b>	2,631,409	2,705,806	2,782,389	2,861,224	2,942,378	3,025,919	3,111,919	3,200,452	3,291,592	3,385,418	3,482,009	3,581,448
Less Base Value	(1,893,758)	(1,893,758)	(1,893,758)	(1,893,758)	(1,893,758)	(1,893,758)	(1,893,758)	(1,893,758)	(1,893,758)	(1,893,758)	(1,893,758)	(1,893,758)
Incremental Value Over Base	737,651	812,048	888,631	967,466	1,048,619	1,132,161	1,218,161	1,306,694	1,397,834	1,491,659	1,588,251	1,687,690
<b>IV. Gross Tax Revenue</b>	7,377	8,120	8,886	9,675	10,486	11,322	12,182	13,067	13,978	14,917	15,883	16,877
Less County Admin Fees at 2%	(148)	(162)	(178)	(193)	(210)	(226)	(244)	(261)	(280)	(298)	(318)	(338)
Subtotal	7,229	7,958	8,709	9,481	10,276	11,095	11,938	12,806	13,699	14,618	15,565	16,539
Less Housing Set Aside at 20%	(1,446)	(1,592)	(1,742)	(1,896)	(2,055)	(2,219)	(2,388)	(2,561)	(2,740)	(2,924)	(3,113)	(3,308)
Less Statutory Pass Through at 20	(1,446)	(1,592)	(1,742)	(1,896)	(2,055)	(2,219)	(2,388)	(2,561)	(2,740)	(2,924)	(3,113)	(3,308)
Less Statutory Pass Through at 16	(178)	(271)	(367)	(466)	(567)	(672)	(780)	(890)	(1,004)	(1,122)	(1,243)	(1,367)
Less Statutory Pass Through at 11	0	0	0	0	0	0	0	0	0	0	0	0
<b>V. Net Tax Increment Revenue</b>	4,159	4,503	4,858	5,223	5,598	5,985	6,383	6,793	7,215	7,649	8,096	8,557

**Table 14****Tax Increment Projection****Central Project Proposed Re-Adop****Long Beach Redevelopment Agen****(000's Omitted)**

	24	25	26	27	28	29	30
							Re-Adopted Plan Limit
	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
<b>I. Real Property</b>	3,327,888	3,427,724	3,530,556	3,636,473	3,745,567	3,857,934	3,973,672
Inflationary Growth	99,837	102,832	105,917	109,094	112,367	115,738	119,210
New Development Value Added	0	0	0	0	0	0	0
Total Real Property	3,427,724	3,530,556	3,636,473	3,745,567	3,857,934	3,973,672	4,092,882
<b>II. Personal Property &amp; SBE</b>	253,561	256,096	258,657	261,244	263,856	266,495	269,160
Appeal Value Change	0	0	0	0	0	0	0
Subtotal	253,561	256,096	258,657	261,244	263,856	266,495	269,160
Inflationary Growth	2,536	2,561	2,587	2,612	2,639	2,665	2,692
New Development Value Added	0	0	0	0	0	0	0
Total Personal Property	256,096	258,657	261,244	263,856	266,495	269,160	271,852
<b>III. Total Project Value</b>	3,683,821	3,789,213	3,897,717	4,009,423	4,124,429	4,242,832	4,364,733
Less Base Value	(1,893,758)	(1,893,758)	(1,893,758)	(1,893,758)	(1,893,758)	(1,893,758)	(1,893,758)
Incremental Value Over Base	1,790,062	1,895,455	2,003,958	2,115,665	2,230,670	2,349,073	2,470,975
<b>IV. Gross Tax Revenue</b>	17,901	18,955	20,040	21,157	22,307	23,491	24,710
Less County Admin Fees at 2%	(358)	(379)	(401)	(423)	(446)	(470)	(494)
Subtotal	17,543	18,575	19,639	20,734	21,861	23,021	24,216
Less Housing Set Aside at 20%	(3,509)	(3,715)	(3,928)	(4,147)	(4,372)	(4,604)	(4,843)
Less Statutory Pass Through at 20	(3,509)	(3,715)	(3,928)	(4,147)	(4,372)	(4,604)	(4,843)
Less Statutory Pass Through at 16	(1,495)	(1,627)	(1,763)	(1,903)	(2,046)	(2,195)	(2,347)
Less Statutory Pass Through at 11	0	0	0	0	0	0	0
<b>V. Net Tax Increment Revenue</b>	9,030	9,518	10,021	10,538	11,070	11,618	12,182

**Table 15**  
**New Development Value Added**  
**Central Project Proposed Re-Adoption**  
**Long Beach Redevelopment Agency**  
**(000's Omitted)**

Scope of Development			Total Value Added	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08
	Unit Value										
<b>1 Carrows Restaurant</b>											
Improvements	4,800 sq ft	136.00	653	0	653	0	0	0	0	0	0
Personal Property	4,800 sq ft	25.00	120	0	120	0	0	0	0	0	0
<b>2 Top Value Market</b>											
Improvements - Market	25,000 sq ft	74.00	1,850	0	1,850	0	0	0	0	0	0
Improvements - Retail	7,280 sq ft	73.00	531	0	531	0	0	0	0	0	0
Improvements - Restaurant	4,350 sq ft	136.00	592	0	592	0	0	0	0	0	0
Personal Property - Market	25,000 sq ft	15.00	375	0	375	0	0	0	0	0	0
Personal Property - Retail	7,280 sq ft	10.00	73	0	73	0	0	0	0	0	0
Personal Property - Restaurant	4,350 sq ft	25.00	109	0	109	0	0	0	0	0	0
<b>3 Renaissance Walk</b>											
Improvements - Residential	40 SFR	180,000	7,200	0	4,140	3,060	0	0	0	0	0
<b>4 Walgreen's Drug Store</b>											
Improvements	16,000 sq ft	85.00	1,360	0	1,360	0	0	0	0	0	0
Personal Property	16,000 sq ft	10.00	160	0	160	0	0	0	0	0	0
<b>Total Real Property Value Added</b>			12,186	0	9,126	3,060	0	0	0	0	0
<b>Total Personal Property Value Added</b>			837	0	837	0	0	0	0	0	0

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## **VI. DISCUSSION OF WHY PRIVATE ENTERPRISE ACTING ALONE OR ALTERNATIVE FINANCING IS NOT SUFFICIENT TO ELIMINATE BLIGHT**

The deteriorated physical and depressed economic conditions now existing in the Project Area and more extensively described in Section III of this Report, cannot reasonably be expected to be reversed or alleviated by private enterprise or government action, or both, without the authority of redevelopment because there is little incentive for the private sector to invest in the area, and there is a lack of public funding and resources to correct deficiencies. Private investment and development in the Project Area has been hindered because of a variety of risks associated with investment in the Project Area. Government action, in and of itself, cannot reverse all of the conditions that cause blight in the Project Area, nor can it reduce the risk of private sector investment by eliminating the constraints to development without the authority and powers of redevelopment.

Over time the needs, standards and expectations of the citizenry have changed, while buildings, structures and infrastructure facilities have worn, aged and become inadequate. Circulation patterns are inadequate, outdated and hazardous. Public facilities and amenities have not kept pace with changing expectations, nor have the presentation, offering and variety of economic goods and services. The combined affects of these conditions have resulted in an area experiencing severe decline, which cannot reasonably be reversed by private enterprise action alone. Therefore, the Project Area will not improve, depriving its inhabitants of the opportunities, security and life style, which are available to the citizens living in economically and physically prosperous locales. More specific reasons for this conclusion are as follows:

### **A. LACK OF ECONOMIC MOTIVATION CAUSED BY EXCESSIVE RISK**

Business development requires a reasonable expectation of success. As previously discussed, the assessed valuation for the Project Area has declined since 1993 and taxable sales per capita are significantly lower than the City and County as a whole, which coupled with the existing physical blighting conditions described in Section III of this Report, discourages private investment within the Project Area. Furthermore, the decrease in assessed values and the low taxable sales limit the available revenues to the City for use as a tool to attempt to revitalize the area. The unwillingness of the private sector and the inability of the public sector to effectuate redevelopment due to the blighting conditions prevalent in the Project Area limits job creation, job opportunities and housing opportunities for citizens, and has fostered social conditions (residential overcrowding and a high crime rate) that deteriorates the lives of persons living and working in the Project Area.

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## **B. LACK OF ECONOMIC MOTIVATION CAUSED BY EXCESSIVE COSTS**

Redevelopment of declining, deteriorated and/or dilapidated urban development is substantially more expensive than new development of raw land. Redevelopment requires the renovation, modernization and/or destruction of all or portions of existing improvements. These efforts are generally performed under restricted conditions so as to avoid damage and nuisance to adjacent structures and residences. These costs are all in addition to land costs rendering redevelopment more expensive, non-competitive and high risk compared to raw land development.

## **C. THE PROJECT AREA'S LACK OF COMPETITIVE STANCE VIS-À-VIS OTHER LOCATIONS**

Private enterprise is often attracted to communities where government can provide it with assistance to establish operations, which will provide employment opportunities for local residents. The subject area must have a functioning redevelopment project area with continued financial resources, which is able to use the tools afforded by provisions of the CCRL as part of its program to revitalize and improve its aging commercial district and other blighted areas. The Project Area is at a disadvantage with newer undeveloped areas that do not have redevelopment agency assistance available, since private enterprise is attracted to newer areas thereby avoiding the problems identified in Section III of this Report.

The foregoing reasons are compelling in reaching the conclusion that blight will not be eliminated in the Project Area by private enterprise acting alone. The size and scope of deficiencies found within the Project Area require the combination of public and private resources and effort to reach a successful conclusion.

The proposed improvement projects and programs for the comprehensive redevelopment of the Project Area are discussed in Section V of this Report and anticipated expenditures total \$385,078,000 in 2000 dollars.

Alternative funds are available under various rules, conditions and circumstances. However, these funds alone and/or cumulatively are inadequate to accomplish the proposed projects and programs. Without redevelopment, there are a number of funding sources potentially available to municipalities in California. Some of these, such as community development block grants, economic development administration grants and SBA loans and loan guarantees, derive from the Federal government. Regrettably, the availability of money from these programs, particularly Federal programs, has become less available and more restrictive in recent years. Furthermore, the general amount of dollars available is inadequate to meet the Project's needs and is often not eligible/applicable for redevelopment project use.



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Other financing alternatives, such as enterprise zone funding, State commerce department grants and loans, and employment training grants and loans, derive from state government. While still others, such as industrial development and mortgage backed revenues bonds, private bank CRA financing, assessment district financing, and private/public financing sources, derives from private and "off-budget" governmental sources. However, this type of funding is difficult to implement because of certain restrictions. As an example, Mello-Roos and general obligation bonds require a two-thirds vote of the electorate and assessment districts require a majority of electorate votes. Furthermore, the city runs the risk of overburdening property owners with taxes and assessments.

Unfortunately, none of the above-described financing alternatives are under local control, or are definite and ongoing. All are subject to their own budgetary constraints, at the Federal or State level, and are further subject to lengthy application or arcane administrative procedures which make ready application of their benefits to any given real estate transaction, in which "time is of the essence," problematic at best. Thus, foregoing analysis confirms the fact that tax increment financing must remain the principal source of financing with consideration given to other methods in appropriate circumstances.

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## **VII. IMPLEMENTATION PLAN**

Per Section 33352c of the CRL, the Implementation Plan prepared as part of the Report to City Council must describe the specific goals and objectives of the Agency, specific projects proposed by the Agency, including a program of actions and expenditures proposed to be made within the first five years of the Plan, and a description of how these projects will improve or alleviate the blighting conditions in the Project Area.

Per Section 33490 of the CRL, the five-year Implementation Plan must state the goals and objectives, show how the proposed projects, programs and expenditures will alleviate blight, and show how the requirements for low- and moderate-income housing in the community will be met. Included as Appendix D to this Report is the Five-Year Implementation Plan adopted by the Agency on November 8, 1999 for the Central Long Beach Redevelopment Project. Although this Implementation Plan was adopted for the Existing Project Area as the boundaries are depicted in the 1993 Plan, the re-adoption of the Central Long Beach Redevelopment Project will use the same Implementation Plan since the goals and objectives, specific projects proposed by the Agency, program of actions and expenditures, and how these projects will improve or alleviate the blighting conditions in the Project Area are exactly the same.

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## VIII. METHOD OR PLAN FOR RELOCATION

Section 33352(f) of the CRL requires that the Agency's Report to the City Council contain a "Method or Plan" for the relocation of families and persons to be temporarily or permanently displaced from housing facilities in the project area, which...shall include the provision required by Section 33411.1.

Section 33411 of the CRL requires the Agency to prepare a feasible "method or plan" for relocation of families or persons to be temporarily or permanently displaced from housing facilities in the Project Area, and for nonprofit local community institutions to be temporarily or permanently displaced from facilities actually used for institutional purposes in the Project Area. Section 33411.1 requires the legislative body to insure that "...such method or plan of the agency...shall provide that no persons or families of low- and moderate- income shall be displaced unless and until there is a suitable housing unit available and ready for occupancy by such displaced person or family at rents comparable to those at the time of their displacement. Such housing units shall be suitable to the needs of such displaced persons or families and must be decent, safe, sanitary, and otherwise standard dwelling. The agency shall not displace such person or family until such housing units are available and ready for occupancy."

The Agency has prepared a General Relocation Plan (see Appendix E of this Report) that establishes policies and procedures for the relocation of families and businesses that may be temporarily or permanently displaced from housing or commercial properties in the Project Area. The General Relocation Plan is being prepared in accordance with the Community Redevelopment Law, California Health and Safety Code Division 24, Parts 1, 1.5 & 1.7. The General Relocation Plan located in Appendix E of this Report will be used to demonstrate that a "method or plan" has been developed by the Agency for the relocation of families and persons potentially displaced from the Project Area.

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## **IX. ANALYSIS OF THE PRELIMINARY PLAN**

Section 33352(g) of the CRL requires the Report to Council to include an analysis of the Preliminary Plan for the Project Area. The Preliminary Plan describes the boundary of the Project Area, a general statement of land uses, layout of principal streets, population densities, building intensities, and building standards proposed as the basis for redevelopment of the Project Area. The Preliminary Plan shows how the purpose of the Community Redevelopment Law would be attained through the redevelopment of the Project Area and has a statement of conformity with the General Plan of the City. The Preliminary Plan also describes generally the impact of the Project upon the residents thereof and the surrounding neighborhood.

The Planning Commission of the City of Long Beach approved the Preliminary Plan for the Project Area on April 20, 2000 by Resolution No. 1108 (Appendix F of this Report). Following this action, the Agency approved and accepted the Preliminary Plan on May 8, 2000 by Resolution No. RA 5-2000 (Appendix F of this Report).

The proposed Plan for the Project Area conforms to the standards and provisions of the Preliminary Plan. The Project Area boundary and the goals and provisions of the Preliminary Plan are consistent with the Redevelopment Plan. As set forth in the Preliminary Plan (Appendix E), the proposed Plan will attain the purposes of the CRL by:

1. The elimination of blighting influences and the correction of environmental deficiencies in the Project Area, including, among others, buildings in which it is unsafe or unhealthy for persons to live or work, small and irregular lots, faulty exterior spacing, obsolete and aged building types, mixed character or shifting uses or vacancies, incompatible and uneconomic land uses, substandard alleys, and inadequate or deteriorated public improvements, facilities, and utilities.
2. The assembly of land into parcels suitable for modern, integrated development with improved pedestrian and vehicular circulation in the Project Area.
3. The replanning, redesign, and development of portions of the Project Area which are stagnant or improperly utilized.
4. The provision of opportunities for participation by owners and tenants in the revitalization of their properties.
5. The strengthening of retail and other commercial functions in the Project Area.

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6. The strengthening of the economic base of the Project Area and the community by the installation of needed site improvements to stimulate new residential, commercial, and light industrial expansion, employment, and social and economic growth.
  7. The provision of adequate land for parking and open spaces.
  8. The establishment and implementation of performance criteria to assure high site design standards and environmental quality and other design elements which provide unity and integrity to the entire Project Area.
  9. The expansion, improvement, and preservation of the community's supply of housing available to low- and moderate-income persons and families.

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**X. REPORT AND RECOMMENDATION OF THE PLANNING COMMISSION AND  
REPORT REQUIRED BY SECTION 65402 OF THE GOVERNMENT CODE**

Section 33352(h) of the CRL requires that the Agency's Report to the City Council contain the report and recommendations of the Planning Commission on the proposed Redevelopment Plan. Section 33352(j) of the CRL also requires that the Agency's Report to the City Council contain the report required by Section 65402 of the Government Code. Section 65402(c) states among other things, that no real property should be acquired by dedication or otherwise for public purposes, no real property shall be disposed of, no street shall be vacated or abandoned and no public building or structure shall be constructed or authorized until such activities have been submitted to and reported upon by the local planning agency as to conformity with the jurisdiction's adopted general plan.

The Planning Commission of the City of Long Beach made its report and recommendations on the Redevelopment Plan on September 7, 2000. The Planning Commission, by adopting Resolution No. 1112, determined that the proposed Plan was consistent with and in conformity with the City of Long Beach General Plan, and recommended the approval of the proposed Plan. The Long Beach Planning Commission report and recommendations, as contained in Resolution No. 1112, are contained herein by reference and attached hereto in Appendix G of this Report.

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## **XI. PROJECT AREA COMMITTEE RECORD**

Section 33352(i) of the CRL requires that the Agency's Report to the City Council contain the summary referred to in Section 33387. Section 33387 refers to the minutes of the Project Area Committee and the record of information exchanged between the Project Area Committee and the Agency.

The CRL requires the formation of a Project Area Committee ("PAC") if a substantial number of low-income or moderate-income persons reside within the Project Area and the proposed Redevelopment Plan or amendment contains authority for the Agency to acquire by eminent domain property on which any persons reside.

As described in Section I of this Report, the Central Long Beach Redevelopment Project Area encompasses the previously proposed Long Beach Boulevard Redevelopment Project Area, and the previously proposed Atlantic Avenue Redevelopment Project, and an additional area around these two previously proposed project areas. During the plan adoption process for the two previously proposed projects, project area committees were formed. On October 20, 1992, the City Council adopted Resolution No. C-25322 determining that the PAC for the Existing Project Area will be formed consisting of the existing PACs for the former Long Beach Boulevard Redevelopment Project Area and the former Atlantic Avenue Redevelopment Project. The following provides a record of the formation and operation of the PACs for the Existing Project Area prior to and following the passage of AB 598.

### **A. FORMATION OF THE CENTRAL PROJECT AREA COMMITTEE**

#### *1. Long Beach Boulevard Project Area Committee*

On March 19, 1991, after due public notification, the City Council of the City of Long Beach adopted Resolution No. C-25010 which called upon the residents, businesses and existing community organizations within the formerly proposed Long Beach Boulevard Redevelopment Project Area to form a PAC and established procedures for its formation. In accordance with these procedures, the Redevelopment Agency held five informational meetings in the project area, with one meeting held in Spanish, to explain PAC formation and the redevelopment process. All community organizations, property owners, tenants and businesses in the project area were notified by mail of these meetings. Over 15,000 notices were mailed. Notice of the meetings was also published in the *Long Beach Press-Telegram*. The Agency conducted an election, by mail, for the purpose of electing the five residential owner-occupants and five business property owners. The Agency conducted a tally of votes cast by mail on May 8, 1991.

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In the meantime the members of the City Council representing the Council Districts within the project area designated six community organizations to choose representatives from their membership to sit on the PAC. The appointed community organizations to choose representatives in turn designated three residential tenants and three business tenants. On June 4, 1991, the City Council adopted Resolution No. C-25051 approving a representative Long Beach Boulevard Project Area Committee.

## *2. Atlantic Avenue Project Area Committee*

A similar process was conducted for the formation of the Atlantic Avenue PAC. On March 24, 1992, the Long Beach City Council adopted Resolution No. C-25214 calling for formation of a PAC for the Atlantic Avenue Redevelopment Project and adopted procedures therefore. Agency staff held a series of meetings to inform the public of the formation and purpose of the PAC. Following this, Agency staff mailed ballots to residential owner occupants, residential tenants, and business tenants within the project area and to residential owner occupants and residential tenants within a "Sphere of Influence". Two meetings were held, one on April 28, and the other on April 30, 1992 to provide candidates the opportunity to address project area occupants, property owners and other community members. During the same time period, five community organizations (National Association for the Advancement of Colored People, United Cambodian Community, League of United Latin American Citizens, Central Area Association and Central Area Association and Central Facility Center Advisory Group), Burnett School of the Long Beach Unified School District, Ministerial Alliance, and the Burnett Library of the City of Long Beach were contacted and asked to each designate a representative to the PAC. Following the designations of a representative these organizations notified the Agency of their selections in writing. On June 23, 1992, the Long Beach City Council adopted Resolution No. C-25266 approving a representative.

Subsequent to the formation of the Long Beach Boulevard Project Area Committee and the Atlantic Avenue Project Area Committee, the City Council, by Resolution, approved the formation of the Central Long Beach Project Area Committee ("CPAC") to consist of the existing PACs.

Finally, on June 20, 2000, the Long Beach City Council, by Resolution No. 27703, made a finding that the CPAC for the Existing Project Area will serve as the project area committee for the re-adopted Project Area and that a new project area committee is not necessary (see Appendix H of this Report). Furthermore, the City Council, by Resolution No. 27704 (see Appendix H), modified the membership of the CPAC to forty-two (42) members consisting of twelve (12) residential owner-occupants, three (3) residential tenants, ten (10) business representatives and seventeen (17) members from community organizations.



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## **B. SUMMARY OF CPAC MEETINGS AND DOCUMENTS DISTRIBUTED TO THE PAC**

On April 6, 2000, the CPAC held its first meeting related to the re-adoption process for the Project Area, and continued to discuss re-adoption procedures for the proposed Plan at subsequent meetings. As of this writing, the PAC held regular monthly meetings through November 2, 2000 in order to review documents related to the proposed Redevelopment Plan. A summary of the discussion topics and documents distributed at the CPAC meetings through November 2, 2000 is included below and the agenda and CPAC minutes are provided in Appendix H.

### **Summary of CPAC Meetings and Documents Distributed**

Meeting Date	Discussion Topics	Documents Distributed
April 6, 2000	Status of the re-adoption of Central Long Beach Redevelopment Project.	<ul style="list-style-type: none"><li>• None Distributed</li></ul>
May 4, 2000	Discussion of time line for the re-adoption of the Plan.	<ul style="list-style-type: none"><li>• Timeline for Plan Adoption</li></ul>
July 6, 2000	Discussion of City Council staff report and resolution on designating the CPAC as the PAC for the Project Area.	<ul style="list-style-type: none"><li>• City Council Staff Report and Resolution</li></ul>
Aug. 3, 2000	Update on the re-adoption of the Plan and discussion of documents currently being prepared.	<ul style="list-style-type: none"><li>• Revised Plan Adoption Timeline</li></ul>
Sept. 7, 2000	Update on the adoption of the Redevelopment Plan.	<ul style="list-style-type: none"><li>• None Distributed</li></ul>
Oct. 5, 2000	Update on the adoption of the Plan and the time line.	<ul style="list-style-type: none"><li>• Redevelopment Plan</li></ul>
Nov. 2, 2000	Review of Draft Redevelopment Plan and presentation of the Preliminary Report by Agency consultants. Discussion and adoption of Owner Participation Rules.	<ul style="list-style-type: none"><li>• Executive Summary of the Preliminary Report; Preliminary Report and Owner Participation Rules were available for review.</li></ul>

## **C. PAC REPORT AND RECOMMENDATIONS ON THE REDEVELOPMENT PLAN**

The PAC received the Redevelopment Plan for review on October 5, 2000. The PAC has not yet prepared and adopted its report and recommendations to the City Council on the re-adoption of the Redevelopment Plan.

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## **XII. ENVIRONMENTAL IMPACT REPORT REQUIRED BY SECTION 21151 OF THE PUBLIC RESOURCES CODE**

Section 33352 (k) of the CRL requires that the Agency's Report to the City Council contain the report required by Section 21151 of the Public Resources Code. Thus, in accordance with the California Environmental Quality Act (CEQA), the Agency has prepared a Draft Environmental Impact Report (Draft EIR) on the proposed Redevelopment Plan.

The purpose of the Draft EIR is to evaluate the environmental effects of a program of redevelopment activities within the Project Area. The Draft EIR evaluated the following environmental issues: air quality, cultural resources, geology and soils, hazards and hazardous materials, hydrology, land use, noise, population and housing, public service, transportation and utilities. The significant environmental effects, which cannot be avoided if the Project is implemented, are as follows:

- Full build-out will result in pollutant emission, which exceed the threshold of significance and which aggravate air quality in the air-shed.
- The Project has the potential to dislocate existing uses, businesses and tenants.
- Full build-out will result in an unmitigated demand for open space and recreation.

The Draft EIR was transmitted to the taxing entities in the Project Area on August 15, 2000. It was then circulated for public review and comment from August 15, 2000 through October 9, 2000. The following agencies submitted comments on the Draft EIR:

- Southern California Association of Governments
- County Sanitation Districts of Los Angeles County
- County of Los Angeles Fire Department
- State Clearinghouse
- Long Beach Unified School District
- City of Seal Beach
- State of California Department of Transportation

The Agency, as the lead agency, is scheduled to certify the Final EIR for the Project at the joint public hearing on the Plan adoption currently scheduled for February 12, 2001. A copy of the Final EIR will be submitted to the City Council as part of the Final Report to City Council. The comments received on the Draft EIR and the required responses will be incorporated into the Final EIR.

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### **XIII. REPORT OF THE COUNTY FISCAL OFFICER AND THE AGENCY'S ANALYSIS THEREOF, INCLUDING A SUMMARY OF CONSULTATIONS WITH AFFECTED TAXING AGENCIES**

Pursuant to Section 33352(n) of the CRL, the Report to Council must include an analysis of the Fiscal Officer's Report and must include a summary of the consultations of the Agency, or attempts to consult by the Agency, with each of the affected taxing agencies. If any of the affected taxing agencies have expressed written objections or concerns with the proposed Project as part of these consultations, the Agency shall include a response to these concerns, additional information, if any, and, at the discretion of the Agency, proposed or adopted mitigation measures.

#### **A. REPORT OF THE COUNTY FISCAL OFFICER**

The Agency has yet to receive the County Fiscal Officer's Report ("33328 Report") from the County of Los Angeles. Agency staff has not been given a date as to when the 33328 Report will be completed. The 60-day period for completion and submission of the 33328 Report to the Agency and affected taxing agencies was October 20, 2000. Having not received the 33328 Report, the Agency will proceed as scheduled with the re-adoption of the Project in accordance with CRL Section 33328. If the 33328 Report is submitted prior to the re-adoption of the Project, then the Agency will prepare and consider for approval a Supplement to this Report containing an analysis of the 33328 Report.

#### **B. SUMMARY OF CONSULTATIONS WITH AFFECTED TAXING AGENCIES**

Section 33328 of the CRL requires the Agency, prior to the publication of a notice of the joint public hearing on the proposed Redevelopment Plan, to consult with each affected taxing agency with respect to the Project and the allocation of tax increment revenues. The Agency submitted Statements of Preparation of a Redevelopment Plan to all of the affected taxing agencies on May 10, 2000. These notices included an offer to consult with each of the taxing agencies. Only the County of Los Angeles has requested a consultation meeting. This meeting occurred on June 15, 2000 and was attended by County officials and Agency staff. A summary of the meeting and items of discussion are contained in Appendix I of this Report.

Furthermore, Agency staff had a phone conversation with a Los Angeles County Fire District representative regarding the Project on June 16, 2000. The discussion items of that conversation are contained in Appendix I of this Report.

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## **XIV. NEIGHBORHOOD IMPACT REPORT**

Section 33352(m) of the CRL requires that the Agency's Report to City Council contain a neighborhood impact report if the redevelopment project contains low- or moderate-income housing. The purpose of the neighborhood impact report is to describe in detail the impact of the proposed actions upon the residents of the project area and surrounding areas in terms of relocation, traffic circulation, environmental quality, availability of community facilities and services, effect on school population and quality of education, property assessments and taxes, and other matters affecting the physical and social quality of the neighborhood. The neighborhood impact report is also to include: (a) the number of dwelling units housing persons and families of low- or moderate-income expected to be destroyed or removed from the low- and moderate-income housing market as part of the redevelopment project; (b) the number of persons and families (households) of low- or moderate-income expected to be displaced by the project; (c) the general location of housing to be rehabilitated, developed, or constructed pursuant to Section 33413 of the CRL; (d) the number of dwelling units housing persons and families of low- and moderate-income planned for construction or rehabilitation, other than replacement housing; (e) the projected means of financing the proposed dwelling units for housing persons and families of low- and moderate-income planned for construction or rehabilitation; and (f) a projected timetable for meeting the relocation, rehabilitation and replacement housing objectives.

Because the Project Area contains persons and families with low- or moderate-incomes, a neighborhood impact report is included herein. Due to overlapping among the data required in the Environmental Impact Report, the Method or Plan for Relocation and the Neighborhood Impact Report -- all of which are contained in this Report -- cross-referencing is employed.

### **A. IMPACT ON RESIDENTS IN THE PROJECT AREA AND SURROUNDING AREA**

#### *1. Relocation*

The Project Area contains residential dwelling units, the majority of which are assumed to be occupied by low- or moderate-income persons or families. Some residential units within the Project Area do not conform (are non-conforming) to the City's existing zoning codes. Although the Agency does not intend to displace any residents, whether the units are conforming or non-conforming, future revitalization projects may necessitate the displacement and relocation of low- and moderate-income residents.

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Any displacement which occurs as a result of Agency redevelopment activities will be mitigated by relocation assistance including financial payments, advisory assistance, and replacement housing plan provisions of state law relating to Agency assisted developments. These provisions are further described in this Report under the "Method or Plan for Relocation."

It is anticipated that existing non-residential, underutilized and vacant parcels will be selected as first development sites. However, from time to time throughout the life of the Redevelopment Plan residential displacement and relocation may occur in conjunction with voluntarily negotiated acquisitions or eminent domain proceeding as a last resort. Displacement and relocation resulting from redevelopment activity are generally dependent upon the following factors:

- Market demand for various types of development;
- Availability of funds to finance redevelopment activities, and;
- Agency's ability to meet applicable relocation and housing replacement requirements under the CRL for low- and moderate-income families.

Residents will not be displaced unless and until there are suitable relocation facilities available for occupancy at rents or costs comparable to those paid at the time of displacement. The Agency will assist residents in finding housing, that is decent, safe and sanitary and within their financial means, in reasonably convenient locations and otherwise suitable to their needs. Any displacement which occurs as a result of Agency redevelopment activities will be mitigated by relocation assistance including financial payments, advisory assistance, and replacement housing plan provisions of state law relating to Agency assisted developments. These provisions are further described in this Report under "Method on Plan for Relocation."

Additionally, it is likely that implementation may require the temporary or permanent displacement and relocation of nonresidential occupants within the Project Area. In every case, the Agency will diligently use its best efforts to attempt to find relocation sites meeting the required needs of the individual business displaced by the Agency activity as required by law. Further, the Agency will work with property owners to provide every opportunity for them to participate in the rehabilitation or redevelopment of their own properties and/or other properties in the Project Area. The Agency will additionally offer reentry opportunities where feasible to existing business owners and tenants on a preference basis.

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## *2. Environmental Quality*

The environmental impacts of the proposed Redevelopment Plan were analyzed in the Environmental Impact Report for the Redevelopment Project (EIR) referenced in Section XII of this Report. The EIR analyzed and updated the impacts identified in the Final Environmental Impact Report prepared for the 1993 Plan, which are as follows: air quality; cultural resources; geology and soils; hazards and hazardous materials; hydrology; land use; noise; population and housing; public services; utilities; and transportation. Most of the impacts projected to result from implementing the Project can be mitigated. Mitigation measures were included for all impacts considered significant. The only environmental impacts that were identified as significant and unavoidable are as follows:

- Full build-out will result in pollutant emission, which exceed the threshold of significance and which aggravate air quality in the air-shed.
- The Project has the potential to dislocate existing uses, businesses and tenants.
- Full build-out will result in an unmitigated demand for open space and recreation.

However, beneficial impacts to the visual quality were noted for removal and improvement of deteriorated structures. Also beneficial impacts were identified for the removal of hazardous waste.

Development under the proposed Plan will utilize building materials, fuel and labor resources for the construction of infrastructure and commercial facilities. These resources would be consumed to provide for similar development at any location, and no unusual characteristics of the Project Area will cause extra demand for these resources.

## *3. Traffic Circulation*

Traffic circulation through the Project Area is constrained due primarily to high traffic volumes along the roadway network. Impact to existing roadways network as result of Plan implementation will consist of an approximate 15 percent increase in vehicular traffic. Most of the additional vehicle trips will occur in the southern portion of the Project Area and along Atlantic Avenue where the majority of the new development will occur. Redevelopment projects will help to mitigate traffic impacts within the Project Area. The proposed Project through a public improvements program includes the provisions for improvements to transportation and circulation systems, upgrading existing roads and landscaping.

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#### *4. Community Facilities and Services*

As noted above, the FEIR analyzed the impacts of the redevelopment project on fire protection, police protection, schools, library, natural gas, water, wastewater, and electricity. No significant or potentially significant impacts were found or stated for any of the community services or public utilities analyzed in the FEIR. The proposed Project is intended to fund the upgrading and installation of public improvements and facilities, which would include improvements to traffic, water, sewer, and drainage systems.

#### *5. School Population and Quality of Education*

The Project Area is served by the Long Beach Unified School District. This District is either nearly or exceeding capacity.

Residential, commercial and industrial development that could occur in the Project Area would increase enrollment in local schools, by 4,500 students possibly requiring the expansion of existing schools or the construction of new schools. To offset development impacts each district collects the maximum statutory development fees allowed by law that help offset the impacts of increased enrollments and cost of new school construction. Additional employment generated by the redevelopment activity within the Project Area may add school-age children to the area since new commercial and industrial development in the Project Area is anticipated to create new job opportunities, which may increase the labor force in the area. However, redevelopment activities are expected to also foster an increase in property valuation that will result in an increase in the pass through property taxes that the school district would receive. Overall, the quality of education is expected to remain the same and the potential impact to the schools can be mitigated.

#### *6. Property Assessment and Taxes*

The proposed Project alone will not cause the property taxes to increase. In general, taxable valuations of property within and adjoining should increase as development of that property occurs. New development within the Project will be assessed at market value, as determined by the assessor. Regardless of whether property is in the Project Area or not, the assessor may increase property valuations for existing properties at the maximum rate of two percent per year allowed under Proposition 13. In cases where property changes hands, the assessor will reassess the added value to property and improvements due to any new development or rehabilitation which occurs.

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Another matter potentially affecting property taxes in the proposed Project Area and surrounding areas would be the possibility of additional levies resulting from formation of special assessment districts. The financing of the redevelopment programs, as outlined in this Report, assumes no special assessments within the Project. Such districts will require voter approval from those that live within the boundary of such district.

## **B. RELOCATION AND LOW- AND MODERATE-INCOME HOUSING**

### *1. Housing Units to be Destroyed or Removed*

Implementation of the proposed Plan may include Agency acquisition of property within the proposed Project Area as provided for by the Redevelopment Plan. The Agency does not have any specific plans for the acquisition of low- and moderate-income housing. The majority of housing units within the Project Area is assumed to be occupied by very low, low- and moderate-income households. However, none of these units are targeted to be destroyed or removed.

Should Agency acquisition necessitate removal of dwelling units occupied by person or families of low- and moderate-incomes, the Agency will be required to construct develop or rehabilitate, or cause the construction, development or rehabilitation of, low- and moderate-income dwelling units equal in number to those destroyed or removed. These "replacement housing units" must be constructed within four years of their destruction or removal, and must remain available at affordable housing costs to persons and families of very low, low-, and moderate-income throughout the period of land use controls established in the Redevelopment Plan.

### *2. Projected Residential Displacement*

As mentioned above, the Agency does not have any specific plans, which would involve the removal of low- and moderate-income housing units or displacement of low- and moderate-income residents. Should such displacement be contemplated, the Agency will conduct individual household surveys to determine the exact number, type and, location of comparable replacement housing units and the required number of referrals thereto prior to displacement of any person of low- or moderate-income. Section VIII of this Report provides an overview of the relocation process that must be undertaken by the Agency prior to displacing any person(s) or family(ies).



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### *3. Number and Location of Replacement Housing*

The specific number and type of replacement housing units required pursuant to CRL Section 33413 has not been determined. Should housing units be destroyed or removed from the low- and moderate-income housing market by the Agency, suitable replacement housing locations are available within the Project Area or other areas of the City and County as identified in the applicable General Plan as residential infill areas. For example, the City's 2000-2005 Housing Element identifies a vacancy rate of 5.2 percent for owner and rental-occupied dwelling units. Based upon the total housing units in the City of 172,089, there are approximately 8,950 vacant housing units which could be used as replacement housing.

The City Council and the Agency will make findings as may be necessary to provide such replacement housing. When the Agency acquires property, enters into a disposition and development agreement, participation agreement or other agreement, or undertakes any other activities requiring or causing the destruction or removal of housing units from the low- and moderate-income housing market, the Agency will provide replacement housing required pursuant to Section 33413 of the CRL and replacement housing plan pursuant to Section 33413.5.

### *4. Number and Location of Low- and Moderate-Income Housing Planned Other than Replacement Housing*

The Agency plans to assist in the construction, rehabilitation and preservation of low- and moderate-income housing in the Project Area under the Neighborhood Revitalization and Development Assistance programs as described in Section IV of this Report. The location of low- and moderate-income housing units may occur anywhere within the Project Area or citywide as permitted by the City and County General Plan. It is estimated within the Agency's Five-Year (2000-2005) Implementation Plan (Appendix D) that as many as 2,937 units may be developed or rehabilitated within the Project Area. Redevelopment law requires that 15 percent of the total housing units be affordable to low- and moderate-income persons. Therefore, it is estimated that at least 440 housing units will be built, rehabilitated or preserved for low- and moderate-income households. These housing units will be developed within the Project Area and citywide.

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*5. Financing Method for proposed low- and moderate-income dwelling units planned for construction or rehabilitation*

Not less than 20 percent of all taxes which may be allocated to the Agency pursuant to Section 33670 of Article 4 of the CRL shall be used by the Agency for purposes of increasing, improving, preserving the supply of low- and moderate-income housing available at affordable housing cost to persons and families of low- or moderate-income and very low income households. This source of funding will be utilized for assisting in the financing of construction or rehabilitation of low- and moderate-income housing. At least 50 percent of these funds are to be used within the Project Area for new construction.

*6. Timetable for Provision of Relocation and Housing Objectives*

If replacement housing is to be provided pursuant to Section 33413 of the CRL, the Agency shall take necessary steps to cause the construction, rehabilitation or development of such housing in accordance with the time limits prescribed by law. The timing for rehabilitation will be linked to the availability of the funds and the level of participation by the residents.

The relocation plan(s) prepared by the Agency for a particular development activity shall contain schedules to insure comparable replacement housing is available in accordance with the requirements of the CRL and the State Relocation Guidelines.

**C. OTHER MATTERS AFFECTING THE PHYSICAL AND SOCIAL QUALITY OF THE ENVIRONMENT**

The Project will have beneficial impacts on property owners and businesses in the Project Area. Implementation of the specific projects consistent with the objectives of the General Plan and the proposed Plan will bring about coordinated growth and development, and improvements in the public infrastructure system, making the Project Area a more attractive area, which in turn should stimulate reinvestment. The Project will therefore help the City to reverse long-term decline without the need for more extensive and expensive measures in the future.

The Agency's proposed public improvements programs would improve vehicular access and circulation in and around the Project Area. The public improvements proposed will also improve unsafe and deficient street conditions.

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## **APPENDIX A FIELD SURVEY FORM**

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## **APPENDIX B FIELD SURVEY EVALUATION CRITERIA**

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## **APPENDIX C**

### **PHOTOGRAPHIC PLATES**

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## **APPENDIX D**

### **FIVE-YEAR IMPLEMENTATION PLAN**

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## **APPENDIX E**

### **GENERAL RELOCATION PLAN**

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## **APPENDIX F PRELIMINARY PLAN AND RELATED RESOLUTIONS**



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# **APPENDIX G PLANNING COMMISSION RECOMMENDATION AND REPORT**

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# **APPENDIX H**

## **CENTRAL PROJECT AREA COMMITTEE MEETING**

### **AGENDA AND MINUTES**

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# **APPENDIX I**

## **SUMMARY OF CONSULTATIONS WITH AFFECTED TAXING ENTITIES**

